

5860-9822/a

Approved For Release 2003/04/24 : CIA-RDP80B01676R000800090084-5



CENTRAL INTELLIGENCE AGENCY

WASHINGTON 25, D. C.

OFFICE OF THE DIRECTOR

10 JAN 1961

Mr. John W. Hanes, Jr., Administrator
Bureau of Security and Consular Affairs
Department of State
Washington 25, D. C.

Dear Mr. Hanes:

Thank you for sending me copies of the papers
prepared by your consultant, Mr. Frank C. Waldrop.

The booklet "Who Is Soviet Man?" is a readable
explanation of communist ideology and its application in the
Soviet Union. Mr. Waldrop's memorandum of May 10,
1960, entitled "A Ten Year View of Soviet Power (1960-1970),
and the tabs attached form an excellent summary of the
voluminous material presented to the Joint Economic Com-
mittee of the last Congress. We are, of course, familiar
with the data and opinions presented, but it is useful to have
their significant points excerpted and highlighted in this
fashion.

Sincerely yours,

SIGNED

Allen W. Dulles
Director

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DEPARTMENT OF STATE

ADMINISTRATOR

BUREAU OF SECURITY AND CONSULAR AFFAIRS

WASHINGTON

Dear Mr. Dulles:

The attached papers have been prepared by Mr. Frank C. Waldrop, presently a consultant to this office, who has devoted much time to studying Soviet Communism and its ramifications.

One of these papers is essentially a compilation of materials of public record but presented so as to tie them together into a meaningful entity. The other is a basic paper concerning the fundamental forces underlying the surface of Soviet developments.

I believe these papers will be of interest and use to you. I would also be pleased to receive any comments you might care to make.

Sincerely yours,

John W. Hanes, Jr.

The Honorable
Allen W. Dulles, Director,
Central Intelligence Agency,
2430 E Street, N.W.,
Washington 25, D.C.

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WHO IS SOVIET MAN?

Should You Read It?

Two classes of people will waste their time in going past this sentence, those who already know everything about the nature of Soviet man and those who don't need to know anything.

The first have complete control of the Marxist idea, its origin, application and effect. They know what they know and why. The second are not interested. Each is satisfied to be for or against Soviet man, the one because his own mind is made up, the other, because the man is there. And so, these fortunates are dismissed with envy.

For any who remain, herewith a brief defense of the eccentric writing style, organization and analysis of material following.

We are about to examine with words the qualities and content of a living organism. Such an effort, no matter how managed, remains a vague approximation of fact. Literary descriptions tend to be neat, to put the climax where it belongs and to begin, develop and end according to convention. But living experience is not so sensible. It refuses submission to plan. And Soviet society is living experience, no matter how much its apologists like to say it is planned. Hence, a paradox and a confusion in the very foundation of this, as in every attempt to make a good report on the Soviet proposition.

In attempting to get at the living realities of a people, therefore, we draw briefly on topical history, systematic philosophy, word origins, psychologic concepts, valuations of emotion and on imagination, doing considerable violence and little justice. Whoever looks here for literary symmetry or expert treatment of the disciplines indicated, will be outraged. But if the reader is stimulated to go on for himself the mission of the writer has been accomplished. For this is, after all, not a set of answers but a draft for the inspiration of questions.

I

The Problem

The Problem

Men of action have to learn, sooner or later, that profit lies in the study of people and in knowledge of what they say measured against what they do. Such knowledge and measure develop a feel for character and motive. And that feel is a valuable guide both in dealing with the present and in sensing the future.

The great puzzle of human relations in our day has to do with Soviet man. Is there present among us, as declared by the Soviets themselves, an entirely new kind of human being? If so, what is his nature?

For now approaching fifty years the politicians of the USSR have been claiming to the world that they were out to build not only a new order of society but a new type of human to live in it. They have laid down hard and fast tests for every aspect of behavior and thought. Art is art only if it is art by the official test. Science is science by the test, alone. Ethics, morality, even knowledge, are true or false only by official test. And if you suggest that perhaps there may be a case in which the test does not work, that it fails to give either answer, you reveal yourself as an enemy. You must say that, though men may be fallible, the test is infallible. It works without exception to separate true from false. To offer any doubt of that is to be -- and mean to be --deceptive.

Such is the official view of Soviet authority across a vast range of territory in Europe and Asia. Such is the official teaching of Soviet politics. But does this official view really limit official action? Does the teaching control results? How much do we dare take it at face value? These are sensible questions and any investigator will soon find that Soviet policy in action does not invariably match some set of clauses in the official book of rules. The questions are simple. The answers are not. Indeed, there is no "answer", as such, at all. There are only pointers and indexes in time, space and events, of which we will examine a few leading examples as we go along.

We begin by taking notice of the physical establishment. In size, the official Soviet region is unique. It has been built with enormous speed and in the midst of war and turmoil unmatched in the known history of our world. Into it have disappeared, since 1917, ancient principalities and noted powers that once represented millions of varying people with diverse cultures, conflicting ambitions and contrary opinions. Now all these are supposed to be marching together under a single ensign, the hammer and sickle, in a planned campaign to master human destiny. But if the size is formidable, the campaign is not original. The idea of conquering the world for a single cause has come up before and it has been pushed by organizations seeming, in their day, to be no less formidable. Yet, all have failed, for with the passing of time the will to conquer has always dulled and the members of the system have lost their singleness of purpose, diverted by the petty cares of day by day. What, here, is new?

Such a line of thought occurs to analysts of the present situation who incline to a view that human nature does not change, no matter what may be the political excitement of the day. According to this view, N.S. Khrushchev had

best

-2-

best be seen less as the product of half a century's grinding according to Soviet formula and more as a gifted fundamental Russian in false face. Mao Tse Tung is not the voice of Marx's prophecy, fulfilled, but a consequence of Chinese local necessity. And the millions in between these two exemplars of apparent novelty are not becoming anything they have not always been. They are, by force of geography and the eternal constants of our human situation, bound to remain diverse, which diversity is sure to express itself with appropriate collisions of local interest. Beneath the Marxist surface, so to speak, there lurks the basic German, Pole, Chinese, Russian or what you will, depending only on where you touch the map. We may rely on this to serve our welfare as time goes by. So goes this argument for one view.

Now it is apparent that no attempt has been made here to offer definitions. What, for instance, is "human nature"? What is a Soviet man? What makes a German, a Russian, or a Chinese? To answer these reasonable questions is unreasonable. Any definition of "human nature" is only an argument of the witness, his personal estimate of circumstance and his response to conduct in the given case. And as for a suggestion that "Soviet" is a term properly contrasted with "German", or "Russian", -- why must that be so?

We are, of course, here being tempted to plunge into a discussion of cultures as a method of demonstrating diversity. But culture, meaning the content of thought and the value put on action, is not static. To be sure, geography is a constant force of direction upon action. Sea is not land and mountains are not plains. People who abide in the one region must adapt if they expect to stay. But "adapt" is a word that allows for changes in many a direction as time goes by. Life adapted to the North Pole once demanded a taste for blubber and solitude. Now it allows lettuce, ice cream and visits by troupes of lady entertainers. It is usual to say that Russia lusts after warm water ports of call to the world now as in centuries past. And doubtless such adjuncts of power will be in demand as long as they last. But in a day of rocket science they have a value different from that in which wooden ships coasted before the wind.

Thus, we must proceed here with a realization that it is impossible yet to lay down the formal terms of those discrete qualities which will distinguish a Soviet human, if any. The hope is less to draft a collection of formulas and more to flex the intuition. It is less to engrave the memory and more to stimulate sensitivity. If we may open the eye so it can see and alert the ear so it can hear, the man of action may possibly feel more at ease in trying to interpret experiences with partisans, declared or not, of the Soviet cause.

And so we turn, now, to a development of known material as applied to the section of the world most anxiously studied for signs and portents of Soviet potential, that of traditional Russia. There, if anywhere, the Soviet idea has been tested by time and circumstance. There, able managers of vast power and great property have now emerged with vested interest in all manner of impulse to self-satisfaction. They enjoy distinctions of rank and privilege. Superior performance brings superior reward. Effort is stimulated through incentive pay. The managing class finds opportunity to pass on the good gifts to children of its kind and there is even a way for limited amounts of real property to descend by will. One may be tempted quite easily to say that we

see here

see here no more than a new aristocracy of an ancient habit leaving Marx behind as rapidly as they can dull the fervor of the masses below with consumer goods. And it is certainly true that the economic quality of life in the Soviet regions can be defined precisely as a vast and yet rapidly growing rise in total power coupled with a mildly improving trend in creature comfort. What does this foretell of zeal for the Cause? And what is the Cause?

II

The Idea

manipulations of the Czarist police, but it had the value of sanctifying the word in the catalogue of Russian national emotions. When, in 1917, Lenin proclaimed the world revolution for Socialism, he knew exactly what word would do him the most good as a tag for the form of organization at home. It was the blooded and mystically endowed, "Soviet".

Had Lenin been as much interested in that other word he had a basis in Slavic language, as in Slavic culture, ready made and endowed with all the correct properties. It was "obschchina", from "obschi", meaning, "in common". The "obschchina", were ancient establishments among the Russian peasantry, by far the largest single class of people lying ready to his hand. The "obschchina", was the tribal system of the steppes, the engrained concept of the common pot, the equal station and the cause of one for all and all for one. Lenin scorned to so much as consider it. He had other ideas. When he uttered the war cry, "all power to the Soviets", he was offering up the very spectacle of his soul. This is to be remembered as we examine the idea which had moved him.

Here now a word about ideas and idea mongers, the people who interest themselves in trying to see what general rules may account for behavior in particular cases. Most of the time, the world professes a vast disinterest toward the sort of idea study known as philosophy. The daily round of the philosopher produces nothing for which the housewife feels compelled to pay out cash and men of action have been heard to hint that the whole thing is nothing but a dodge to get out of work. Certainly it is true that nobody goes into philosophy for the money and if any innocents expect place, power or public honor, they do not get it.

In the established order of heroes, policemen rank well above philosophers and as enterprise philosophy may quite justly be regarded as a depressed industry. Philosophers are used to being ignored, most of the time, and some even claim to like it. It is a custom of the trade to profess stunned surprise when the world turns suddenly from indifference to indignation and demands that one of this obscure sect, as with Socrates, be courtmartialled on a charge of corrupting the public mind. After all, idea mongers do not deal in contamination of food or in making of bombs, only in the arranging of words.

Why, then, in attempting to solve the enigma of Soviet man, does it matter what Karl Marx said or wrote a century or more ago? Is it not enough just to watch what the current holders of power do? May we know whether Soviet man exists without application to the analects which are credited with breeding him -- if he is? Unfortunately, no. Some inquiry into the idea is inescapable. The reasons for this miserable necessity will appear as we go along. But do not despair. This is not to say that judgment of the Soviet potential must begin with a prolonged review of the thought processes leading up to the world view of G.W.F. Hegel to which, as we all know, Marx paid capital debt. We must not regard the living condition of human society as if it were controlled by a sort of fortune-telling word machine into which one feeds particular questions for automatically extruded answers printed up in advance and invariably true as foretold.

The review of dogma herein will satisfy nobody, of course. For some it will be regarded as a nonsensical bit of sloppy foreshortening. For others,

it will

II The Idea

At this point of an inquiry into the Soviet problem it is customary to introduce an account of the late Karl Marx and to offer in some favored version his sulphated opinion of the world and its ways. But reference to Marx is useless until one knows his own capacity for observing the peculiar relation of thought to society in action. There are two general illusions which must be acknowledged. On the one hand there is the notion, earlier suggested here, that state power goes its own way unhampered by campaign oratory. Those who like to believe this tend to see the USSR governed by practical fellows who are very careful never to seduce themselves into believing the story that they operate according to the formal ritual proclaimed. On the other hand there is the notion that every decision and every action of Soviet management yesterday, today and tomorrow is meaningful or predictable only as squared with some especially flesh-creeping passage from the early works of the Soviet fathers.

It is idle to wrestle with any of the material evidence of Soviet existence until one knows which of these views best tends to comfort his own bias. This writer admits an inclination to believe that ideas do give direction to action and that words do have a power in the acts of states. That is not to say acts of state are exact responses to the dictionary, but it is to say words are clues to the quality within acts. Therefore, in this paper some effort goes into working through of the idea and power relation by analysis of words in their ordinary and in their special meanings.

And so, as we approach analysis of the first significant figure in the Soviet pantheon, we do so informed of two words and their meanings. The first is "Communism". This word is old in language as it is even more ancient in polity. The general root is the Latin, "communis". Its plain English ancestor is "common". Its current form derives from the French, "communisme", and since 1917 it has been absorbed into all manner of languages. But nothing of the modern usage can divest so old a word of its historical inflection and that, as all of us know, is intended to signify the principle of equal sharing. Communism is not limited to political doctrine. It is a view of life, an attitude, a state of feeling, an expression of desire, all these to the end that one partakes of the common lot exactly as the other. As such, it is no kin to the second word here considered. This word is "Soviet", a sound and a symbol of idea entirely limited to Slavic culture. The prefix, "So" means "with", and "otviet" means, "answer".

The root verb is "Sovetovat", meaning, "to advise". With reason, we call to mind here that doctors advise patients, mothers advise children. To advise implies a relation of superior to inferior in the given circumstance. One hardly takes or seeks advice from a fountain of known ignorance. Really good advice is not generally looked on as a common commodity no matter how commonly worthless advice is given. Nor should we be deluded into thinking political usage has changed this much. The word "Soviet" enters politics apparently in 1801, when the Czar Alexander I appointed elder statesmen, "Sovietniki", to advise him on the wisdom of what, as it turned out, he intended to do anyhow. In 1905, when the wretched workmen of the Russian cities rose against Nicholas II, they formed councils, circles of advisors, "Soviets". Their struggle for power was brief, ill-managed and fatal to many a one lured into it by the

manipulations

it will have raised propositions perhaps so unfamiliar that they will seem trivial or, on the surface so obvious as to be more than familiar and settled. However, a closer look may suggest that some ideas most people take for granted as well settled, true or false, really are not. In fact, a good deal of the vice in our present world situation stems from some assumptions by Marx, himself, that certain points were settled and he had done it. His very self assurance was Lenin's tool for achieving "all power to the Soviets", the vexation of more than one head of state in our day.

We begin with the idea, meaning the notion of the mind, that "Nature" is a word which suggests any and everything of substance in the Universe, things living, things that have lived, things that have not lived, things that cannot ever live, but always that class of identities we mean by the word, "things". By definition, we exclude ideas, for ideas are inward impressions of what a thing "ought" to be, just as words are our instruments for causing others to agree that they understand what we mean when we express in words our ideas about the qualities of things.

A surface glance at the things to be seen in Nature may well bewilder anybody. The surface appears complex, heedless, directionless, a fermentation of odds and ends without any self-evident rhyme or reason. We do not know how the universe looks to a horse. We can only suppose that it is regarded as a sort of alternation between kicks and corn. It is suggested that "a cat dreams of mice and a goose of maize", though none has yet confirmed this suspicion to us. But we do know that it is a habit of the human race to reject the appearance of Nature as the reality. We do not admit the surface random to be the heart of the matter. Mathematics is our supreme effort, out of many, to reduce unknowns and to find order in apparent chaos.

Philosophers, who puzzle with such matters as the above, tend to go in one or the other of two general routes. Either they concentrate on picking flaws in what other philosophers have said, or they try to organize something nobody else seems to have said, as yet. The first kind are called "analytic", and the others "systematic". The systematic philosophers undertake to show not only that the apparent hodge-podge of Nature is really meaningful, but also to show what the meaning is.

G.W.F. Hegel, (1770-1831) was a metaphysician of Stuttgart, Germany, with a conviction of the mind that by the processes of systematic thought all of Nature could be explained and with a sentiment of the heart requiring him to confess himself a devoted servant of God. Hegel looked upon the Universe and in effect echoed a declaration of an earlier but somewhat differently oriented thinker, Heraclitus (540-480, B.C.),: "It is wise to harken not to me but my argument, and to confess all things are one."

Much, here, depends not only on whether you think all things are one, but also on which one. This is an essential element in the Soviet problem before us for solution.

The universe, Hegel decided, is soluble in terms of thought. All of Nature
is but

is but a manifestation of the Absolute, the One, which in his pious heart meant God. And the mind of man, as an expression of this Absolute, cannot be overestimated as a tool of greatness and of power. It can even explain history on a reliable basis, good any time, anywhere, with any audience. The explanation comes through experiencing inwardly the following process:

1. A point of information comes to mind. This is marked, "a thesis".
2. The point is studied and observed in the fermentations of time and place and the original idea about it, the "thesis", is defeated by an objection, the "antithesis".
3. This may seem discouraging until one discovers that after sufficient concentration a way out appears and the contradictions are overcome by a new view, an enrichment of the original under the stress of opposition, so that the whole understanding moves to a new statement, the "synthesis", which collects all the realized truth out of (1) and (2).
4. Now we discover the synthesis is nothing, after all, but a thesis, itself, in collision with still another antithesis, from which is built yet a further synthesis and so on without limit ever approaching the universal One, the perfected appreciation of reality, in fact, God.

Hegel's thought as a whole has been borrowed in the last century and a half as an alibi for every sort of political conduct. It has been offered as the foundation of Christian monarchy (German), and attacked as undermining Christian monarchy (German). It has been identified as the inspiration of National Socialism (Nazi) and claimed as the inspiration of Scientific Socialism (Soviet). We will find little satisfaction in trying to adjudicate between these claimants. We must let it go by taking at face value the attitude of just one of these, Karl Marx (1818-1883), a systemist from Trier.

Everybody knows how Marx began as a professional thinker in a period of excited belief in idealism as the way to perfection in systematic philosophy. Out of his furious passion for scholarship came at last a conclusion, "philosophers hitherto have been content to contemplate the world. The task now is to change it." Here is our clue to character. It underlines much of the feeling among those who regard Marx as rather crude and limited as a technician of idea. The fact is that Marx took little pleasure in speculation, as such, so he got out of it by saying he had no further need to examine into the meaning of the Universe. Instead, he borrowed Hegel's systematic scheme, but expressly rejected Hegel's conclusions. Hegel had said that by starting with the abstract notion of the ultimate One he could learn the significance of any concrete, specific situation of current notice. Marx liked the utility of Hegel's process, the oscillations of thesis, antithesis and synthesis, but little else. He had personal objections to the idea of God, it being his view that since things are all we know things are all there can be. He approved of the principle that there is an ultimate One, but disapproved of identifying the ultimate as metaphysical, more than physical, a Spiritual statement. To him, the ultimate One must be as he put it, "material". Hence, Materialism as the simple answer to Supernaturalism.

Man's

Man's condition in Nature is not determined by his conscious valuation of Nature, said Marx. It is the other way around. Man's condition in Nature determines how he values Nature. In reduction to specific content, his formula was that the Universe looks to you the way it does because of the way you make your living. All human social values are, Marx concluded, the end results of economic determinism, the product of materialism.

Hegel's system for reading the meaning of history is right, Marx held, if you just turn it upside down and reason from the particular to the general instead of from the general to the particular. Start with the concrete thing, the way you make your living, and you will in time discover all. This upside-down process of Hegelian dialectic, thesis, anti-thesis and synthesis, is the heart of all stylized explanations by philosophers, politicians, generals, and street-corner debaters, in modern Soviet affairs.

It provides them with a handy formula for saying that the present situation, whatever it may be, is not the important point to be considered. They offer to show that the direction and the motion of the oscillatory process - not where we are at the moment, but where events are headed - invariably works to support their intentions. If you don't see this you are on the opposite, or inevitably, losing, side.

One of the great manipulators within this system, Iosif Vissarionovich Djugashvili (Stalin), liked to explain to his listeners that in the Hegelian process, refined by Marx, "Many quantitative steps must occur before a qualitative leap may come to pass". Another way of saying this is, "pay close attention to the drift and at the right moment, hit your lick to make things come out the way you want". The language is less elegant but the sensible nature of the purpose is quite apparent. But of course Stalin, as others before him and since, liked to get credit not only for saying something sensible but also for saying it in a way that would impress his listeners that very much more was implied than they might guess.

Marx, having contemplated the world, was satisfied that he had now achieved a perfect explanation of all Causality. He now set out to change the world. And however much we may criticize him for limitations in philosophy, we must concede that in other lines of work he turned out to have astounding powers. The Communist Manifesto of 1847 is not a small thing. Neither is it entirely a product of Marx's private thought. In fact, we must remind ourselves constantly that he did not even write it alone, but in collaboration with his admiring friend and financial supporter, Friedrich Engels, who was especially interested in keeping Marx attentive to the rising appreciation in Europe of that which today we call "physical science". It is a melancholy fact that neither of them had a true vision of what science would do to society.

Like other works which the processes of time have endowed with vast significance, the Communist Manifesto can seem to mean different things to different people, depending on what quotation is extracted. But some points in it can hardly be ignored by any advocate. In a relatively short passage of words, it offered (a) a handy explanation of the past, or "history", (b) a version of the present, meaning Europe of the 19th Century and (c) a proposition to govern the future.

It must be

-6-

It must be remembered that Marx was himself one of those people less addicted to physical labor than to thinking of ways to get physical labor done by someone or something else. For all such Marx borrowed a French word, "bourgeoisie", and overlaid it with his scorn. Now, it is in keeping with the bias of this inquiry to examine the very word, "bourgeoisie", to see what history goes with it. It stems from the ancient French, "burc", whence, the English "borough", the German "burg", and if we care to look further, back to the Medieval Latin, "burgus", all adding up, of course, to "town". The French "bourgeois", then, relates to the freeman of the town who makes his living in trade, using his head more than his hands. These, we know, gathered in power, knowledge and money as Europe moved through time and by the 19th Century were everywhere exuding strength in a kind of society that recognized the effectiveness of capital investment by individuals in private ownership of things and processes.

But to Marx, capitalism was obsolete and vile. He saw the economic process not as carrying men ahead but as holding them back. And so the Manifesto opened with a proclamation that "A specter is haunting Europe, the Specter of Communism". There are apologists for the Manifesto and for Marx who quibble that the rubric of dialectical materialism does not absolutely decree people must be killed and whole cultures uprooted to remake the world as Marx decided it should be. But it cannot be escaped that the Manifesto called for "the forcible overthrow of the whole extant social order".

Having explained the meaning of history, to wit, that jobs make it, having formed a new version of human conduct, "Scientific Socialism", Marx now offered a directive for action. It was: "Let the ruling classes tremble at the prospect of a communist revolution. Proletarians have nothing to lose but their chains. They have a world to win. Proletarians of the world, unite!"

It is a curious feature of Marx's commitment in philosophy that he spent little effort on making sure that idolators would know exactly what he meant by what he said. More than one commentator has pointed out that he offered great political magic with the phrase, "Scientific Socialism", but that he didn't offer to say exactly what it meant in the ordinary, day-to-day shuffle through life. We may find it worthwhile, however, to see what he did offer as a grand-scale formula and how he looked on the people of the world, in general.

First, let us do what Marx did not, let us empty the word "Scientific" as we have the other important words in this search, to see what is contained within it. All the words of kin, science, scientific, conscious, conscience, omniscient, prescient, stem from one Latin root, the verb, "scire", to know. In the same vicinity we find, "scion", which emerges from ancient sounds meaning "seed", or "coming forth", and we can even discover that "scissors", from the Latin "caedere", or "to cut", tend to drive thought the same way, to the conclusion that knowledge, the act of knowing, is the power to make and the power to remove, or if you like, is just power.

And what is "Socialism"? It and all its compounds and allied noises owe their indicative character to the Latin "socius", for "a companion". We need stir the imagination very little to see how Marx's word magic performs through the association of companions with knowledge. But who are the companions? Not

everybody. Marx was vague about some things but not about who should get the benefit of his world view. People who were at the moment well off would all have to go, no matter who they might be, no matter how gentle or kindly they might think they were in person. They were, by their very position in society, menaces to a re-ordering of events. No, the only acceptable companions for operations in the new order would be the "proletarians". This word is full of directional significance for one who seeks to get beneath the surface of language to see what he may find. Out of the Latin we discover "pro", a prefixed order to go forward, and attached to it we find "alere", a very signifying "to nourish". And in "proles", we find "offspring", hence, "product", and associated concepts.

There is yet one more word which must be investigated. It is "dictatorship". The family of meanings built up within this sound is enormous and richly subtle in application, yet all come from a single imperative quality. Note first the Latin adjective, "dius" for "godlike". The verb, "dicere", to say, and "dictus", a saying. Consider, "dictare", to say with emphasis. The end result is a feeling of compelling authority.

Marx's systematic view of the world at last comes down to this:

Events in Nature run their course according to oscillations of thesis, antithesis and synthesis. An economic interpreter of history sees and understands that the social effect of events is determined by the way people make their livings.

The attitudes of people, their class distinctions, are governed by self-interest. The social organization of any moment in time, the reigning "ideological superstructure", is the formal ritual of explanation for this governing self-interest. As long as any reigning form is in harmony with the actuality of events it does no harm. But inevitably, time decays it. Then the self-interest of those who are attached to the old form brings them into collision with those who are out for a new.

Hence, Marx, his Communist Manifesto and his economic interpretation of history, were an invitation to the proletariat of Western Europe to rise up, destroy the established order and institute a dictatorship of their own. To what end? Marx had a plan. He saw the proletariat not as descendants in general, but only as the factory workmen of Western Europe. He was a city man, himself, and spent most of his life in libraries. Like most of his kind in his time, he had small interest in the United States and he had even less interest in the agrarian element of Europe or anywhere else. It offered little promise of action, tended to be non-scientific, mystical and apart from political management, anyhow.

But the dictatorship of the proletariat would run the state, the operating machine of society, strictly in accord with principles of scientific socialism, which principles were conveniently unspecified. In the end after all dissident elements were removed there would be a perfectly harmonious and delightful experiencing of Hegel's oscillations in a society that would enjoy every material thing in common, so intelligently and so benignly that the state would just "wither away". The state would be communism in action and communism in action would be the state. Such, roughly put, was Marx's contribution to thought.

III

The Idea in Action

III

The Idea in Action

Whoever has survived thus far will be relieved to know the worst is over, insofar as the worst requires groping through the gloom of thought and intent behind the utterances of human sound and word formation.

Refinements and additions and subtended remarks about what Marx really meant are too tedious to pursue, though uncounted thousands of words have been offered by those who would like to get the Master off or onto, some special hot spot of theory in the years since he made his pronouncements to suit himself.

It will do here to say that with his words he gave other men stimulus to action. He told them which way to go and he decided he knew who not only should, but would, do the going. It has seemed to more than one observer that apologists for Marx in the 20th Century might have the grace to say something about the observable fact that his infallible system failed rather badly to advise its believers of what to expect as events wore on in fact, as against expectation.

To Marx, the rise and development of industrial, urban society in Western Europe was the last necessary event before the revolution which would be generated in the factories, the revolution which would install a dictatorship of the (city) proletariat who would in turn use the state to effect the final, perfected science of socialism, the communal life which would see all surviving mankind of one texture and pattern, so intelligent, so self-interested and so self-serving that not even a government, as such, would be recognizably present.

But has anything worked out so far in this direction? To see how much of Marx's science has proved itself we now must examine the doings and sayings of a few among the clusters of those who say they know what he meant and have acted accordingly.

The arrival of the 20th Century undeniably disclosed in Western Europe a mass of industrial workmen who were self-assertive, politically acute, socially disturbed and ready to see an end to old orders of social process. And in the Great War of 1914-18 they had many invitations to rise according to Marx in one band together to dictate the new order. They had brains, they had energy, they had leaders who said they knew how it should be done. The West toyed with Marx, bled, shuddered and rejected him. His partisans to this day remain essentially outside the Western pale and still unable to carry the public with them by any ordinary political process.

Twice in the first 50 years of this century, the proletariat of the Western world have been discovered on opposing sides of vast massacres and twice have they refused to accept the Marxian solution so long ago proposed. And though Marxian partisans have worked among them with every manner of appeal, they still regard the Marxian proposition with profound suspicion. Marxists still smell as much of the lamp as of blood, they still make it all seem too simple and final and perfect for the proletarians of the West, who

are now

are now as they were 100 years ago, the world's best educated, best informed, most inventive and most industrious working people. As we see the position of Marxism today in the region where he foretold it would reign, we find it nowhere official and nowhere even so much as offered, any more, on the terms he announced. The truth is that the proletariat of the West, instead of interesting themselves in massing into a single dictatorship of proletarians, have shown more interest in developing themselves individually into becoming bourgeois, to use Marx's words, and even to allow his meaning. There is a reason for this which is commonly recognized among us all, today, but for which Marx's science of socialism failed utterly to account.

The record shows that instead of history running in the direction he foretold, it ran, if anywhere, in the exactly opposite direction.

Out of the first world war we may draw many inferences, but of all that may be drawn the one most compelling of notice is that at the war's end the first Socialist state of modern history had emerged in an area which fitted none of Marx's dogmatic rules. Russia went into that war a loosely held empire of varying peoples and disjointed forces, nominally governed by one man in mystical union, so it was said, with many millions. Russia had a force of city workmen, but their conversion to the machine age was hardly begun. The idea of an urban proletariat capable of dictating management over the steppes and the peasants was generally held to be impossible and hardly anybody planned on it. Certainly not Marx, when he was consulted back in the 19th Century by various of the Russian thinkers who felt the Czars had to go and that revolution was the instrument for speeding their departure. Russia didn't interest him.

But Russia was dear to Russians, among whom we find one Vladimir Ilyich Ulyanov (1870-1924). Those who wish to divert themselves with the endless debates about what this extraordinary man might have done, would have done, meant to do, and about the final meaning of what he did actually do, have ample excuse. We need here consider very little.

It tells us considerable about him to know that when he arrived at his decision to direct the reordering of humanity according to Marx he took an alias, "Lenin", for "Ivan". We discover him in this word as he liked to see himself. And we see his successor in power, the earlier mentioned Djughashvili, through the self-chosen alias of "Stalin", steel, and yet another companion of the early days now little remembered but once fearsome as Molotov, the hammer. It means something to our analysis that in the modern Soviet techniques of power such romantic and disclosing assumed identifies are no longer used by office-holders in the USSR. Would such a practice be now regarded as contributing to the "cult of the individual", perhaps? The cant phrase of "organization man" fits better the temper of the going concern.

Lenin, like Marx, may well be criticized for his limitations as a technician of idea. He made no bones about it, but was plain to say that the

thinking

thinking process in itself had no special charms. It was just something to use for the personal end wanted. He used it for twenty years of concentrated effort to refine and organize the process of revolution to be laid on in Russia at the moment when "many quantitative events" have accomplished the required groundwork for the "qualitative leap", in the new direction for which dialectical materialism on the Marxian model of analysis had prepared the elect and foresighted. And like Marx, Lenin was both gifted and prolific at the writing of political directives. Indeed, nobody denied the archives of the Kremlin is secure to this day in a claim to know all he said. And as for what is in those archives we may never be certain. Historians in the Marxist succession have a way of putting aside that which fails to mix according to the moment's version of the formula, as they have of discovering something hitherto unseen which now is offered as verification of a change. However, we may proceed here with one sampling from Lenin which tells us clearly both what he thought and how he acted to compel others:

"The teaching of Marx is all-powerful because it is true. It is complete and harmonious, providing men with a consistent view of the universe, which cannot be reconciled with any superstition, any reaction, any defense of bourgeois oppression. It is the lawful successor of the best that has been created by humanity in the nineteenth century — German philosophy, English political economy and French socialism."

It is apparent how dictatorial and lionlike a manner fits Lenin's politics. He does not offer to demonstrate why Marx is all-powerful, because true. He just proclaims it and goes on to say Marx teaches a consistent view of the universe, offering a complete and harmonious explanation of all.

Let us not pattern our own attitude after Lenin's, however, and rest with a lordly declaration that Marx is all-powerful because true, or all nonsense because false. Obviously, there must be some reason why so many people who disagree with him continue to thank Marx for the unsatisfactory condition in which modern society finds itself. His teaching can be criticized for limitations as to justice and accuracy, but it is difficult to make out a case that it has lacked power.

Let us see what Lenin meant when he referred to German philosophy.

German philosophers, as a sub-species, tend to produce systems, as against picking holes in systems other people produce. They enjoy "ideals", meaning versions within the mind of what "ought to be so". From the imagining of what ought to be so it is fatally easy to proceed with a pushing of events to force them in line with the pattern of "ought". As we have seen more than once too much such pushing of events can produce nasty conditions of life for not only those who are being pushed at the beginning but also for those who set out to do the pushing. Ask Hitler, Goebbels and Co. Idealism, like violence, may get out of hand if you become too much in love with it.

At any rate, the idealism of the German system builders has, in general, tended to suggest that the random surface of Nature can be penetrated. We can get

to the bottom

to the bottom of it all for a patterned explanation of everything. This is a notion which may well seduce anybody. Not only cloistered philosophers but men who work strictly with tangible things and with the data that come to their senses from experience are always in a position to succumb if they are of a tendency to do so.

One illustration comes immediately to mind. The linked performances of mathematics, mechanics and associated knowledge have evolved considerable interesting information about Nature, as for instance in the case of hydrogen bombing routines. The world is no longer dismissed with the simple and common sense recognition that it is flat. And in the nineteenth century, out of which the Soviet hierarchy of today gets its authority in thought, the impulse was to believe at last all knowledge was rapidly placing all of Nature in order for a grand catalogue of things, their causes and their meaning.

It was this sentiment which inspired Hegel, Marx and Lenin to foresee perfection and a perfected, idealized, final arrangement of society, Marx's "scientific socialism".

It creates no small difficulty for the modern managers of Soviet affairs that they have been locked up by sentiment, faith and some early success, with a set of formal dogmas originating out of such a tidy attitude, for events still decline to be subdued to anybody's predictions.

For instance, there is the case of the Universe, or the totality of Nature. Our world and the locality in which we proceed are now regarded by the people who work in the sciences of real matter as not very closely connected with the center of the universe. The planet, Earth, is just one of several objects gyrating around a certain star, the sun, which is itself a rather ordinary member of a single galaxy, one group of objects associated in space, out of a very great many such groups.

The center of our physical being is the sun, to which it is now scientifically argued we owe the physical and mechanical qualities of life and of matter, as presently viewed.

But, say these students of the subject, their experiences with events and the data recorded by their senses suggest that the universe, so far as we have discovered it up to now, appears to contain on the order of 10^{14} (ten to the fourteenth power) planets situated in relation to energy sources like our sun and capable of maintaining high orders of living organisms. This somewhat stretches the credulity, to be sure, but they offer more than fanciful evidence. And it is asking even more of credulity to agree that such a universe was contemplated within the reasoning of perfection offered by Hegel, Marx, Lenin or anybody else.

Nature is not yet reducible to patterns. Our world is hardly the last word in nature. It is lucky to be noticed at all. Therefore, we may be forgiven for doubting that Lenin was correct in giving Marx the last word on anything at all, let alone for everything, on the basis of German idealistic philosophy or on the basis of any other allegations that it is in the power of mind to see the ultimate truth of absolute reality, absolute right or absolute anything.

Yet, Lenin

Yet, Lenin in 1917, demanded "all power to the Soviets", on the principle that he held, courtesy of Marx, the keys to the kingdom of truth and that he could offer infallible precision for developing the absolute best available to man in social intercourse, the world dictatorship of the proletariat which would bring communism to perfection for all (surviving).

It is not our purpose here to review the details of Lenin's performance, but only to describe the idea frames supposed to account for the result. The result was without doubt to eradicate the last vestige of the social past in traditional Russia.

In terms of result, we must summarize Lenin's effort in one word, Stalin. All the blood, suffering and sacrifice of the revolution in Russia laid the foundation for Stalin to make his own move toward the perfected society. And he made it.

Stalin's monument is not his leadership of the Russian people in the war of 1939-1945, nor even the profit he made for them out of it in terms of territory and subjects. Within the terms of this analysis, we must see Stalin's supreme achievement as the Constitution of the USSR, adopted December 5, 1936. This is the grant of legitimacy within which the state of our current time claims to act. This is its explanation of itself. Therefore we are bound to make ourselves familiar with the explanation.

And before we go into it, there must be made room for the challenge that the Stalinist Constitution is just window-dressing for something else. This challenge holds that Stalin never believed in any of the gabble from Hegel, Marx, or even took seriously anything Lenin said about how power comes to the right hands and how the right hands should use power. He was, so the argument goes, a great monarch, a despot, whose mind and genius were centered on himself as king and czar. He was never fooled a minute by all the talk about "scientific socialism".

This is to ignore a good deal for the sake of a point of view. It is still a fact that Stalin entered the world as a shoe-maker's son in the remotest part of Asiatic Georgia. His father was a drunk. His mother was a pious villager. He set out to rise in the world by studying to become a priest of the established Church of the Empire, but found himself better adapted to the usages of politics. And at the end of it all he sat on top of a considerable force which was shaped in his lifetime according to acts for which sanction was claimed in the works and words of the aforesaid Marx, Lenin, et al.

To ask that he be seen as a mere cynic who believed none of these but only pretended to for the sake of his career and adventures is to ask more than will be conceded herein, if nowhere else. It is as if one were to argue that a Pope sitting in the Vatican, after all his years of work and prayer,

were to say

were to say to himself it all had been a fake. It would be to say that a president of some vast corporation of world influence, after all his ... care to rise, could smile within and admit to himself he had no real belief in the processes of capitalism. It is the argument of this work that Stalin was not a cynic toward the Marxist science, but an utter believer.

IV

The Idea Installed

IV

The Idea Installed

Those who find the spectacle of violence intolerably repugnant and those who have less delicate sentiments but do not care to admit in public what they work for in private are often heard to argue that revolution and conquest are not direct needs of the Communist idea or the Soviet system. It is only ill will, they suggest, that reads into Marx a demand for blood. And if Lenin's statecraft was rough he was forced to it by malice, ignorance and misunderstanding from without.

There is this much to be said for their argument: anybody, including Marx, would agree there is no need to shoot the man who hands over his person and property on demand and obeys orders without argument. But it is undeniable that so far the progress of Marxism has lacked the peaceful touch. The modern Soviet state in the USSR and its counterparts elsewhere have not once arrived by parliamentary method or general public acceptance. The gateway to power is still stinking with death and destruction.

Lenin stands in history as a man claiming a mission to organize the whole world on a pattern that suited him and as a man who used any weapon he could get, revolution first and last, to begin with his own native country. And as men do, he died before he could hammer the framework of his idea down upon the shapeless mass of people and things spread out before him. By no means had Socialism come to Russia in fact when Lenin died, nor was Russia yet a Soviet or hardly any other recognizable kind of State. It was as yet still unformed and bleeding from the spasms of disastrous foreign war and internal revolutionary shock.

Revolutions, so they say, always eat their own children. This is a poetic suggestion that maybe Hegel's oscillations do have a kind of approximate validity in natural circumstance as well as in philosophic idealism. This would be a Hegelian description of events in Russia, then, since 1900. First, the thesis of the Czar in power. Second, the antithesis of the revolution, out of which Lenin grasped the unmanaged power of national existence. And what is the synthesis? We may say of the events, by this formula, that Lenin was the last revolutionist. For when Stalin took control his first performance was that of killing off all competition he could find. Thereafter, revolution was for export, only. The home office reckoned it would be bad for business on the local market.

From 1917 to 1936, the Soviets were calling for "all power", but the regions to which they spoke were not exactly harnessed. But on December 5, 1936, a document was delivered in Moscow, entitled "Constitution of the Union of Soviet Socialist Republics". It was drafted by a Constitutional Commission with Stalin as Chairman, given five and a half months' public display and then adopted by a Congress of Soviets.

It is a masterpiece of its kind and deserves the closest study and appreciation of its utility. Of all its clauses, we need here examine only a few to disclose how effective it is at managing the evolution of what we will now begin to see as an actual, operating identity, the modern Soviet man. Yes, it is the conclusion of this work that Soviet man does exist and it is the intention of all following material to show some of his parts.

Part I,

-2-

Part I, Clause Eleven of the Constitution that guides Soviet man on his way says:

"The economic life of the USSR is determined and directed by the State national economic plan". This is simple, clear and conclusive. It allows no room for error of understanding as between state and citizen.

The aim of the economic plan is given as "increasing the public wealth". What is "public" wealth? The significance is not exactly that of "communal" wealth, as we shall see. Another aim of the plan is "steadily raising the material and cultural standards of the working people", a gain that modern societies everywhere acknowledge and pursue as profitable to any system of living. The final aim given is "consolidating the independence of the USSR and strengthening its defensive capacity". These are ordinary needs and expectations of any government that means to survive. All depends on how much of the economic plan goes to increasing the public wealth, how much to raising the standards of the working people and how much goes to the uses of statecraft.

Ever since the Soviet state got under way it has operated as a planned economy. The classic plans are usually set up for five years. The current one (1958-1965), is in its fundamentals like all the others. It expresses a concentration of effort on the implements of state power and discloses only a grudging release to the other aims of what the State managing forces evidently consider the least they can get by with for public uplift.

Extensive investigation has led to an official recent judgment by the Central Intelligence Agency to Congress that the USSR is, as of 1960, fully capable of drafting and executing formidable state economic plans with sobering implications for other societies which want neither to be swallowed up nor to be forced into war. And that it is in process now of just such an execution with the 1958-65 plan. It is noteworthy that all this effective planning goes more to increase state power than to enlarge public welfare. For in this knowledge we have a clue to the identity of Soviet man. We can see that his current self-interest lies nearer to staying friends with the established State system than in risking anything to agitate for a Marxian communism in which the State has ceased to be. The man is merging into the State, but the State fails to fade. It grows. The naked favors of power and office are what count. They are fed first and foremost as a force of the State, for the force of the State. No single clause of the Stalinist Constitution has had more influence on the shaping of Soviet man than this, the ultimate and irrevocable power to deprive citizens of any choice in the way they will live in relation to the economic process. The State will own and plan. The citizens will obey, if they want to survive.

The next clause of interest is Article 14 in Part II, a tedious and yet vital series of details cataloging the distribution of power within the State system. The "higher organs of State power", to use the language of the Constitution, manage such matters as diplomacy, war and peace, admission of new republics, military force, internal security, banking, insurance, money, the economics of land and property, justice, citizenship, education and marriage.

This pretty

This pretty well settles any doubt whether Moscow has its thumb on every control point in the life of the people. A good way to test the inclusive list is to imagine how a revolution could staff, unbeknownst to the state organs of higher authority. In what section of the society has the state neglected to establish its listening post? We see here that Soviet man has the State always with him, no matter which way he turns. He cannot escape it. He can only pray that it will be merciful with him.

Part III, Article I says:

"The highest organ of State power in the USSR is the Supreme Soviet of the USSR".

This supreme soviet is the final selection from the series of soviets which begin with precinct groupings of "workers, peasants and soldiers", established in citizenship.

As a sidelight on the establishment of citizenship it may be worth remembering that after the German army invaded the USSR in 1941, seven "autonomous regions" listed among the proud originals in the 1936 Constitution suddenly disappeared from Soviet records and their citizens were "re-located". The most Stalin ever let out about it was that he felt their governments had proved treacherous. Whoever really knows the detailed story of these fledglings that died so soon ought to tell it. Another to go with this would be an account of the case of the Soviet soldiers under Lieutenant General Anton Vlasov who went over to the Germans in large numbers, and what happened to the citizenship of families they left behind. This, too, is part of the estimate of Soviet man.

The stability of citizenship is an influence of importance and discipline in the Soviet man's political judgment as he selects his representatives to move up and up through the circles of local and regional council to the Supreme Soviet. Citizenship can be lost for a considerable variety of offenses.

The Constitution allows that the Supreme Soviet is not only legislative, but executive. It selects from within its membership a Council of Ministers, another Soviet, for the word is still of the same meaning. The Soviet of Ministers, as the distilled essence of the Supreme Soviet, issues orders and decrees based on the laws of the Supreme Soviet. These decrees are binding on all. A study of Soviet legal practice does not disclose any method by which a citizen may find a Supreme Court which can tell him that a ministerial decree is in violation of a law of the Supreme Soviet and that he is therefore entitled to a redress of grievance. The highest organ of State authority gives no judge power against its ministers. To the contrary, courts are candidly held creatures of the Soviets. The State, as it looks at the citizen, is indivisible. Its parts are made to fit and to support one another. Here is Hegel's One, or Marx's, and it is very material, indeed. It is the synthesis of all power. The oscillations stop and if it is not perfect in other ways at least it is perfected in form to manipulate power.

How may a Constitution organizing control in such a way, be amended? May some far off region or republic originate a change and circulate it against the will of the Moscow authority? The Constitution provides against any such tendency of the public to set ideas in motion on their own. It

-4-

cannot be amended except by a 2/3 vote of the Supreme Soviet, on the Soviet's own motion.

Now we come to the detailed method by which any competition of ideas against the established order is sniffed out before it can so much as get a start. Part IV, Clause 126, offers a formula for authorized organizations of citizens. These are spelled out in benign manner as "trade unions, co-operative societies, youth organizations, sport and defense organizations, cultural, technical and scientific societies".

Beyond these non-political formations the Constitution provides that "the most active and politically conscious citizens in the ranks of the working class, working peasants and working intelligentsia voluntarily unite in the Communist Party of the Soviet Union which is the vanguard of the working people in their struggle to build a Communist Society and is the leading core of all working people, both public and state."

All the above in quotations is from the official English language translation offered by the USSR. The descriptive material along with it, not in quotations, is an attempt to give a faithful reflection of the same language, omitting no quality and inserting none. Thus, it adds to the reality of our understanding to note that except in the quoted passage above the 1936 Constitution of the USSR makes no reference to Communism nor anywhere explains what it is. In sum, whatever Communism may be, the State which is supposedly its true home has no legal language for describing it.

The effect of the Constitution is, of course, to grant the Communists an exclusive political franchise and to deny legal opportunity to any idea of society except that which the Communist party may compound from within itself, always supposing that such a compound is enacted as a statute of law by the Supreme Soviet.

The organizing rules of the Communist party and its method of developing compounds for the Supreme Soviet's attention are not part of this analysis. Only the briefest general description of the party's factors is necessary to our knowledge here. The present institution going by the name of the Communist Party of the Soviet Union, is historically descended from the Russian Social Democratic Labor Party which formed at Minsk in March of 1898, itself a response to a brief earlier flash of Marxism in Warsaw called "Proletariat".

Marxism seeped into the Czarist empire as one after another group with ideas of social betterment suffered the repression of a Romanoff dynasty that could not imagine the interests of a world just beginning response to the impacts of science and industry upon society. By no means were all or even most of the natural revolutionaries in Russia inclined to Marxism. Certainly it is not the evidence that their aspirations were for anything to compare with the Soviet state as it is today or the Communist party that is the state's symbiotic other self.

Lenin was one among many, but entirely in character as the Russian Social Democratic Party, in fear of its life, struggled to form a line of policy. He turned all his fantastic invective power against those within the party who

doubted

doubted that he was always right.

His own faction he declared to be the "Bolsheviki", a splendid and sonorous word which should be said once aloud for notice of its thunders. The opposition were "Mensheviki". Whoever is indifferent to the implication of word forms may try these two in alternation, imagining how the forensic force available may be used. The first means "majority party", the second, "minority party". When he started his operation Lenin called his small body of supporters the majority, "Bolsheviki", and the opposition, though it outnumbered him, the contemptible "Mensheviki". The word came before the fact but the fact came to the word. By 1917, the Bolsheviks represented disciplined and directed power among the distracted many who had so long sought escape from the Czar's misrule and now were unclear just what to do next. "All power to the Soviets" was the plan but only trusted Bolshevik lieutenants were permitted to manage the details of delivery. By 1918, the Bolshevik All-Russian Communist Party was a going concern. In 1925, it re-described itself as the All-Union Communist Party. The present name was adopted in 1952.

In the Soviet Union and everywhere else in the world it has extended its influence, the Communist group differ in the most fundamental sense from political action as the term is used in parliamentary language. Membership is not open to everybody. One does not become a Communist by the simple process of declaring himself to be one. The significant fact is that nobody "joins" the party at all. Candidates for membership are "admitted". And at intervals the party "cleanses itself", expels whoever is decided to be out of harmony with the party will.

There is a peculiarly mystical feature to the ritual of party cleansing. Outsiders do not really know what goes on, they only know what the party's official story is after the event and the rebuttal of the ejected member, if he lives to give it. Many words have been written attempting to give some valid account of party workings but none is worth much at foretelling the next development. The only observable fact is a plain one. It is that in the CPSU, as in the USSR, the power flows from top to bottom, not from bottom to top. The Supreme Soviet generates the power oscillations of government which reach to the villages. The central Committee of the Communist Party tunes its political sensitivity so "the party can hear the grass grow". How? All we know is that such is the party's business, to keep the State informed of what the people feel before the people themselves know they are feeling it. The Party serves the State and the State preserves the Party. Such is the nature of the symbiosis. Whoever imagines the one apart from the other has not become sensitized to the nature of this peculiar system built on the premise that it was destined to rule the world, and has developed a world network of legal and illegal alliances to keep its courage strong.

Who is the man within the system?

Whether he is a Communist party member, a functionary in State office or an industrial manager, whether his career lies in the military, the arts, the sciences, on a farm, in a fishing smack, whether he herds sheep or runs a prison, whether he is the Chairman of the Council of Ministers or a street sweeper, he is a part of the One. He lives within it and he depends upon its favor. It

can deny him

-6-

can deny him but he cannot contest it.

When the Constitution of 1936 was produced, apologists everywhere hailed it as the most democratic and enlightened social contract ever written. This was because its preaching language dwelt on the benefits to come for the "workers, peasants and intelligentsia". Of all these apologists none spoke better of the work than the chairman of its drafting committee, Stalin:

"The complete victory of the socialist system in all spheres of national economy is thus an accomplished fact. What does that mean? It means that man's exploitation of man is abolished, liquidated, and that socialist property in the instruments of and means of production is confirmed as the constant basis of society".

There has been a victory, to be sure. The constant basis of society in the USSR insures that the instruments and means of production are managed by the Supreme Soviet and its agents. The management is skillful. But it is only management. It executes policy but it does not determine it. How does policy arise and what is it?

V

The Idea Commanding

V

The Idea Commanding

By now it will have occurred to any observer that events have left not only Hegel's idealism but also Marx's Communism far behind. The modern version of Scientific Socialism, inserted into Russian revolution by Lenin and installed in power by Stalin, has little in common with 19th Century ideas of science, philosophy or state management. But these were its roots and for any sense of understanding it the roots must be examined, traced out and appreciated for their current value. They do have such a value. Wherever the Soviet state seeks power but does not yet have it, the approach remains in the same 19th Century formula. Heavy emphasis is laid on Marx's version of the good society, a dictatorship of the proletariat aiming toward stateless Communism. This is the public offering, to be used for whatever it is worth with the innocent believers. But it is only one of an arsenal of formidable power tools. Another is the world-girdling organization of revolutionary managers trained in the Leninist tradition. For almost as many years as it has been in existence, the Soviet State has operated colleges in Moscow for the explicit training of field men whose duty it is to bring new nations into the fold. Marxian, public Communism undertakes congenial relations with anybody, anywhere, who feels abused, unhappy and interested in revenge. Nobody absolutely must be a Communist to have friendly dealings with the overt Marxist representation. But there is little opportunity for the public to get acquainted with the covert Leninist operatives. Their business is to manipulate the Marxist believers and weaken every non-Soviet government in the world, whenever, wherever and however they can, in anticipation of the day when a judgment of Moscow holds the time has come to take in another subject territory. Within the Soviet domain the function of the Party is that of keeping the State informed so that it may keep the people in order. Outside the domain, the function of the party is the preparation of conditions for extension of the domain.

What luck has the system had, so far? Since 1917, all the hammering has failed as yet to bring in any volunteer members. Success, so far, has come only in the form expressed by the Chinese representative of the Soviet idea, Mao Tse Tung. It is his proposition that political power "grows out of the barrel of a gun". How do the Soviet principalities compare, the one centered on Moscow and the other on Peking? Most attempts to make such a comparison fail because they run out of facts almost immediately. It is difficult enough to shape a thought about the Moscow operation, even after two generations of accumulated material. To suggest that the Chinese Marxists are yet knowable is not serious.

Yet of the Chinese situation certain things may be said on the evidence.

The great political event of the 1914-1918 war was dual in character. First, the Western, industrial society refused the Marxian gambit, thus forever ending any basis in fact for claims of Marxian infallibility. Second, this same gambit was attempted in the agrarian, mystical Russian empire and as of now has produced an industrial Soviet empire, hardly Marxian, hardly benign, but powerful, suspicious, acquisitive and conspicuously aggressive in its procedures. It negotiates and it maneuvers, but an examination of its hard and fast commitments to limit its reach supports the view that it is far from satisfied.

The great

The great political event out of the 1939-1945 war for this first Soviet empire was consolidation of its control on the home territory and extension of its margins Westward into Europe by right of simple, old-fashioned conquest. It built a complex arrangement of house rules to govern the territories and to date it has had remarkably little difficulty, considering the assignment it undertook in the first place. Ruling middle Europe has never been simple for anybody and if military capabilities were distributed in a different order, there would still be little life expectancy for the Soviet system there. But the capabilities are what they are and so Moscow holds its gains by force of arms as the new generation grows up to be trained in the tested pattern of obedience.

But this extension in Europe was not the end of the case. Out of the war of 1939-1945 came another victory of Marxism, truly grown out of the barrel of a Chinese gun. A region even more remote and agrarian than Russia of 1914, the one part of the world least conforming to Marx's dogmatic rules of admission to the ranks of Scientific Socialism, was brought under the subjugation of a force about which the outside world heard only rumors, the "Chinese 8th Route Army", under command of Comrade Mao.

It is little remembered today but early in the emergence of the Soviet state Moscow kept the back roads of Siberia and Mongolia hot with agents to inner Asia. One of its early transactions was with the armies of Chiang Kai Shek, who finally broke openly and completely with the Communists at the gates of Shanghai in 1927 and went on to form the Kuomintang, the generally recognized government of China, now situated in Formosa. When it lost its reach for the Kuomintang, the Soviet made connection with the 8th Route Army. The force descendant from the Army holds the mainland of China.

None will deny the regime in Peking is belligerent. The examples of Korea, Tibet and the border of India and its attempts to force through the nations along the Malay Straits are evidence of an urgent drive for expansion. This drive has been seen by some as "nationalism", in a Chinese setting, foretelling a day when Chinese and Russian interests collide somewhere in the recesses of Asia where their authorities meet.

But none will deny, either, that the regime in Peking is outspoken in its call for world revolution on the classic Marxist pattern. Not since Lenin has the public tone of preachment been so violent and stark. After all, the program has long since passed the modest form of "Socialism in one country". Whatever it is, it runs from Berlin to the Pacific ocean and from the Arctic to the disputed borders of India. In one way or another it claims authority over more human beings than any system ever has, however nominal the authority in given localities and however feeble the execution of doctrine in specific cases. The first half-century of operations will soon have been completed and it has carried far, no matter how managed the going.

Can this amalgam of dogmas and dominance be reduced to a formula? Can the power centers of Moscow and Peking manage their differences? Can all the millions with all their innate diversities be homogenized into One? This is the mystery of the future.

The fact

The fact of the present is that in the USSR power now centers in a formulation that allows no competition. Traditional sentiments are not much in contest with military power of modern quality.

Can such a regime contain its own tendency to expand and the temptation to use its enormous powers? There is a way to consider this question in realistic fashion by imagining what would happen if the regime were to decide of its own will to dismantle itself. For all the time since 1917, the principle of "all power to the Soviets" has been in force. Philosophy, education, science, art, industry, agriculture, militarism, civil and criminal law, every element of social organization have concentrated on obedience to this rule. Two full generations have been born under its influence. The very machine of industry, and a mighty one it is, has been built to deliver "all power to the Soviets".

How can this power be devolved and distributed, even if all the abilities of the managers were suddenly turned to that end? How could title to property be handed back by the State to people? How could political competition for office be generated in minds taught for more than 40 years that such competition is mortal sin?

The vast machine of state in the Soviet regions has no recognizable escape from its own commitment. It has assumed all power. It has concentrated on disciplining tendencies of difference and on homogenizing all the elements of "human nature", whatever these may be in any understanding, into obedience to the One. How can the One, then, either wither away or sub-divide itself?

Plainly, in looking at the One we need an idea other than Hegel's or Marx's. And since their day, the idea mongers have been working with information neither imagined. There was a time in which the mind was, essentially, a proposition of intellect and idea had not offered much formal doctrine on the content and structure of feeling.

Today, the nature of feeling is considered in ways unknown to philosophy before the 20th Century and the modern thinkers who consider feeling tend to disassociate themselves from classic philosophy on that account. They call themselves, in general, students of psychology, meaning that they wish to learn what may be the logical significance of human response to actual experiences, as against presumptions of what ought to be the "right" or moral, view.

Psychology is a science so young that philosophy, with its ages of system building and critical analysis, enjoys impressive residual status and authority by comparison. But psychology still is a fierce competitor, once imagination reaches to it.

Consider, therefore, in attempting to evaluate the personality and prospects of Soviet man and his civilization, the implications of just one such school of psychological inquiry. This goes by the general inclusive title of "gestalt", by which the German means not only the whole class of attributes signified by shape but also the concrete thing, itself, shape.

This notion of shape as an attribute and shape as an entity cannot be imagined easily, without consideration of examples. Let us consider two.

The notes

The notes in the musical scale each have concrete and individual significance. Each one, sounded alone, has its "shape". Arrange these limited and finite "shapes" in a chosen pattern and they result in a melody, which is a "shape" in itself, an entity different from any of the entities which made it. Now comes the question of the gestalt psychologists:

What gives the melody its own shape? What is its source? What is its content? How does it come about? How does it appear to beholders, individually and collectively?

Now let us consider an animate shape, as against a shape not alive. A regiment of soldiers is different from as many soldiers not formed into a regiment. Each soldier has his shape, psychologically speaking. The number of soldiers equal to a regiment meeting at random have another sort of shape. But a regiment has its own shape, its own entity, and in a performing sense, its own life and characteristic psychology.

What is the source of the regiment's own shape? And what is the origin of the Soviet shape, seen from the perspective of the gestalt psychology? It is beyond the reach of this analysis to say. But certain qualities of the shape itself are visible.

The Soviet system is monolithic. The State must act as if it were infallible, whether it is or not, because it will not share responsibility and power with any of its ingredient humans. Thus, when error does occur, and in human situations we cannot expect otherwise, the State must force its way through to an appearance of infallible foresight sufficient to maintain internal discipline. Or try.

The Soviet system is autarchic. It holds a monopoly of goods as it holds a monopoly of political and military force. It has no reason to go outside itself for any article it can find at home and in fact as long as it can use discipline to deny need or produce a passable substitute, it has every self-serving reason to avoid foreign exchange. Trade is a weapon, not a thing in itself.

The Soviet system is autistic. It has no regard for damage it may do others. Indeed, one of its dedicated aims is all possible damage to others. It is self-centered in the fullest meaning of the word, but in no sense self-satisfied. Nothing in its catalogue of purposes or performances can be found to justify a notion that the Soviet system feels a limit on its expansion would ever be a good in itself.

Is there a model in history for the Soviet style of management? There is, and the evidences of modern psychology are useful reference in considering that historical model, which is Sparta. But these evidences are another subject, for a future paper.

Insofar as this effort is concerned, we have at last reached the point that something must be said about the nature of Soviet man as we may judge it on the basis of the evidence here offered.

First and

First and last, he is just a man. His gifts and his limits are all within the range of the human. We may assume this on the basis of his biology, even if we deny him any other inheritance. If we are to say that we know anything at all about what faculties go into the fabrication of a human being, we must admit Soviet man, wherever found, has these faculties, no more, no less.

He knows pain and pleasure. He feels love, hate, frustration, exultation. He wants the good life and he fears the bad. And he discovers, as do we, that he has limits. He may imagine as much as he pleases, but he must accept less than the best when he comes to put his imagination to the test of experience. He learns to know error.

Thus, after all, we will have to concede that to the extent any of us is human, our nature does not change. But what may we say about the influence of Soviet experiences? How are the fundamental drives of human feeling modified by the conditions of Soviet existence?

Here, we may consider the Soviet state as a source of information.

In any society which relies on central authority, the individual finds that his opportunities to differ with his fellows are sharply defined. He may differ on how to run a tractor or use a spectroscope, but he may not argue the wisdom of "all power to the Soviets". He may not speculate after the fashion of philosophy except in one mode. He has discovered that in the natural sciences as elsewhere it pays to be sure that he sees Nature conforming to the official dogma. He lives in a closed society. Can we say that his faculties for criticism of that society and its decisions are of any value? Whatever is not put to use is ineffectual. The faculty of social criticism may be seen in a way as a sort of expression of energy, as a creative force for change and discovery. When that critical faculty withers a sort of effect occurs in the social realm comparable to that meant by physical scientists when they use the word, "entropy". The degree of entropy in a substance expresses the limitation of its energy output. In the social sense, a society which denies its members range for exploration of social ideas must suffer social entropy in proportion.

To the degree the Soviet system accomplishes "all power to the Soviets", we may expect to find Soviet man in a state of social entropy. He is denied the energy to generate changes and therefore he has no notion of what changes exist or may be caused to exist.

His ignorance of change and its uses for good must, if he is human, inspire in him a fear of contrasts and differences. The unknown, simply because it is unknown, has its terrors. We may reason, therefore, that Soviet man is a conformist in his social outlook and fears the very principle of non-conformity. It follows that to a degree above the usual he distrusts the man who is unlike him.

It follows also that as the generations of Soviet man march one after the other, obedience to authority becomes more automatic, engrained and reliable. One violates the very axiom of human quality in human beings to describe this as leading to the "closed" mind, but surely it leads to a narrowing of the

mind,

mind, to enormous reliance on belief as against experience and to loss of reason in favor of faith.

Investigations into faith systems and their influence on personality and behavior are only in recent years becoming recognizable scientific efforts. It is not possible here to attempt any extended description of how these are formed. But we may summarize some characteristics for which ample precedent in social history is found. Systems which have a tendency toward closed judgments of the correct view also make it easy for the individual to see living experience in sharp contrast, "right", as against "wrong", to trust "either-or", in situations that others would still hold open and to put heavy reliance on the doctrine that any man is an enemy who declines to meet the test of friendship on grounds decreed by external authority.

Soviet man would be mystified by the notion, "For if ye love them which love you, what reward have ye? Do not the publicans also? And if ye salute your brethren, only, what do ye more than others? Do not even the publicans also?"

To the extent the man managed by the Soviet state sees difference and change as a threat to the State, he is that much a Soviet man. And to that extent he must fear and distrust any agent of change. He must deny himself a party to it. His internal natural compulsion to live in a world and a universe of endless change produces under stress a dour, distrusting disposition and a set against symbols of difference all around his border. If any man in modern society is in need of help and understanding, Soviet man is surely one. He is living proof that knowledge, as such, is not enough. Considerably more is needed before any social system, Communist or otherwise, can speak confidently of perfection.

In the meantime, the Soviet state, as it amasses power and people, remains a force in the world around it which cannot be seen by any beholder as interested in mildness or self-limitation. Nothing that is non-Soviet is satisfactory to the Soviet.

It does not renounce one word of its formal intention to force the world to become One on the Soviet model, nor does it manipulate its forces away from such a goal. In the pre-atomic yesterday it was franker in declaring the revolution would be violent. Today, violence is nobody's monopoly. No man says how, if it reaches the peak of its known potential, violence can be guided by plan. This is a shocking thought for the pious Marxist who looks on the Soviet state as capable of making plans that allow for any combination of circumstances. It is a terrible reality for every living creature, alike. How it will modify the Soviet urge to force humanity into the Soviet model remains to be seen. How it will modify the world that declines to become Soviet is equally undisclosed. If there is any way to tolerate the world's powers for violence and the world's changes, without some amendment of the Soviet intention, this writer does not know of it.

#

May 10, 1960

TO : Mr. Hanes
FROM : Mr. Waldrop
SUBJECT : A Ten Year View of Soviet Power (1960-1970)

1. Here is a short course on what Congress is learning now about the Soviet idea in action. It gives the latest word on how economics, politics, education and language are used as tools of Soviet power.

2. The most novel piece of evidence is a greatly detailed report and estimate of the Seven Year Plan (1958-1965) under which the Soviet economy now operates. What does this evidence show? Exactly that which any responsible citizen must know from instinct and experience.

The Soviet purpose is conquest of the world. It aims now, as it always has, for unconditional surrender by the whole human race to its rule of scientific socialism, about which, more below.

It would be glad to have this surrender without war, but if war is the only means that will do the job, then the Soviet idea calls for war. And the Soviet power is building that war machine.

It is a machine of high quality, managed by people who know what they want and how to get it. They are capable, concentrated and aggressive in spirit as in conduct. They live and move by plan.

3. What is the United States to do about them and their plan? Here is the advice given Congress:

Keep the nation alert. It is no joy, but it is vital to remember we will be decades, not merely years, at the daily job of wearing down the Soviet aim to conquer and manage each of us, in person.

The risk of war is constant. Therefore, a military power supreme in the world is simple self-protection for each of us, in person.

Whatever that takes

-2-

Whatever that takes in body, mind and spirit, in property and in time, is justly due from each of us as our fair share in the common lot of a humanity which has its own ideas of life, as against the Soviet idea.

4. We, too, have an idea for the world. The message of democracy, as spelled out in these briefs to Congress, would be a pledge by the United States to give its best for others to model life as nearly after our fashion as they can manage, but in any case, not after the Soviet manner.

This American idea is, in the view given Congress, the real issue before the world. We cannot survive in health on the negative principle of anti-Communism. The positive view of life arouses a sincere and driving will to advance the American idea. It locks each of us to the propagation of faith in our idea, a faith expressed not only in works but also in words, through which works and their meaning are understood. The American idea will be discussed below, also.

5. The accounts to Congress here examined come at a timely moment. In less than ten years, the Soviet idea will have behind it fifty years' living experience with real government and applied politics.

The transformation of the idea from an opinion to a performance can be dated as April 16, 1917. On that day, in the Tsar's waiting room of the Finland Railroad Station, at Petrograd (now Leningrad), Vladimir Ilyich Ulyanov, holding a bouquet of roses, proclaimed:

"We must fight for the social revolution, fight to the end, till the complete victory of the proletariat. Long live the world social revolution."

Ulyanov, known better by his revolutionary alias, Lenin, had been a fugitive from the fallen Tsar's police. Now, he was returned to Russia with a handful of followers from cellars in Central Europe to fish in troubled waters.

This handful of romantic and primitive believers in the Soviet idea had in mind first to seize the power of government in a single country, then to build in that country an engine for conquest so that all the race might be governed according

to their

-3-

to their own single view of life. Now, as the last few of fifty years from that day go by, how does the Soviet idea fare?

Measured in geography, we find it fixed on the body of Russia. North, it runs to the Pole. South, to the edge of India. East, it runs to the Sea of Japan. West, to the heart of Europe.

Measured in politics, it runs the whole of the earth. No continent is free of its influence. Few countries are without its partisans, dedicated to destroy their own national homes for the sake of the Soviet idea.

Measured in power, the brute force of men and machines, it finds that the American idea survives to organize a force which is greater. The surveys given Congress present the particulars.

6. As to such surveys, these reviewed here must be classed the latest and best of their kind in a series almost exactly as old as the Soviet Government, itself. The first Congressional notice of Soviet entry into world politics can be found in Senate Document 62, (65th Congress, 1st Session). The report on those first hearings, begun September 27, 1918, has meaning today. It includes this:

"The demonstration of the consequences of this movement in Russia, no matter how graphic the description, is a distant, far-away picture to the average citizen of the United States...

"While entertaining and perhaps amusing him, much as the novel in modern fiction does, it fails to impress him as an actual, existing institution, in a world growing smaller through the accomplishments in transportation and communication, that must be considered and met as an actuality.

"To understand and realize its real consequences it must be brought home to the citizen and applied to the life and institutions which he knows."

The report with this observation was made on July 28, 1919. The inquiry which stimulated it was not concerned primarily with the Soviet idea. Its originating authority was a direction that a Senate Judiciary Subcommittee look into charges made against the United States Brewers' Association and allied interests.

From this,

-4-

From this, the investigation led to exploration of "German and Bolshevik Propaganda", seen as attempts to blunt the American will in the war of 1914-1918.

Read against present-day standards of information, that first Congressional effort to measure the meaning of Lenin's proclamation for world revolution seems limited, indeed. Yet, in fact, it went straight to the heart of the matter.

Now, as then, the major problem of responsible authority is less to gauge Soviet intention -- it is constant, and less to gauge Soviet power -- it is obvious. The major problem is to interest the citizen at work on his daily round of life. It is to remind him that he, too, is personally involved in all that happens, like it or no.

7. Now, as to these hearings on 1959, the first for examination is a comparison of the United States and Soviet Economies, made in 1959 for the Joint Economic Committee, 86th Congress, 2nd Session, Pursuant to Sec.5, (a) of Public Law 304, 79th Congress. (Tab A).

It is the third attempt by this Committee to make such a measurement and clearly reflects a growing body of knowledge and an improving sense of touch in the handling of it.

This proceeding adds up testimony and formal papers of estimate by thirty-one witnesses.

These range from Allen Dulles, Director of the Central Intelligence Agency, to John Raber, a speaker for the Indiana Farmers' Union, and from Benjamin Javits, President of United Shareholders of America, to Jay Lovestone, Director of International Publications, CIO-AFL.

Subjects analyzed vary from living standards to gold policy, from incentives to population, from food to guns. One witness reports on the minute details of spendable income for average families here and in Russia. Another offers a grand scale measurement of Gross National Product as the best clue to identity of national aims.

Many able scholars from great universities have worked out parts of this total economic portrait, the most detailed of its kind actually ever offered to public view. And it must be remembered the witnesses are not all of one mind in reading the character

within the

-5-

within the portrait. But it must also be remembered they are of one mind on one controlling feature. All see a portrait of power in the most modern and formidable sense. Here is the sum of all their views, put by Mr. Dulles:

"The fulfillment of the present Seven Year Plan is a major goal of Soviet policy...If the Soviet industrial growth rate persists...as is forecast...the gap between our two economies by 1970 will be dangerously narrowed unless our own industrial growth rate is substantially increased...

"...The uses to which economic resources are directed largely determine the measure of national power."

With this testament no witness disagreed.

Attached is Appendix A, which gives in each one's words a more detailed illustration of the findings on each element of comparison, the U.S.A. and the U.S.S.R., in economic power and prospects.

8. The second study is a twelve part panorama of world politics made for the Senate Committee on Foreign Relations, pursuant to S. Res. 336, 85th Congress and S. Res. 31, 86th Congress. (Tab B).

One system of this analysis treats with the principal divisions of the world by continents and people. Another explores military needs and powers for simple existence. A third drafts a new American style of diplomacy, with separate departments of political, economic and cultural administration. A fourth offers the grand, over-riding aim to put the American idea into direct competition with the Soviet idea for the whole mind of man.

These reports, handed in from mid-1959 through the first quarter of 1960, are foundation material for a "full and complete study of U.S. foreign policy" begun by the Senate Committee in July, 1958.

Like the reports on economic power, these reflect a thorough grasp and searching realism as to the Soviet idea.

And again, though there are variations in detail, all these studies come together on one point. It is merely a matter of

taste that

-6-

taste that one is quoted over another here to indicate that consensus. On that basis of taste, here is a passage from Report No. 10, prepared by the Harvard University Center for International Affairs, on the subject, "Ideology and Foreign Affairs":

"The challenges facing the free world over the coming years are much more grave than those surmounted since World War II.

"While the Communist threat was mainly military, the necessary response of the free world was provoked by the threat itself. In that period fear provided a sufficient spur for joint action.

"The shift to 'co-existence' has changed this situation. The threat has not been removed but has become more difficult to meet...

"The rapidly changing world is seeking a sense of direction. In the age of ideology, successful political action must be related to ideas. Dogmatic systems of ideas can be undermined only by positive actions which consistently refute their accuracy and by affirmative principles which truly reflect the aspirations of mankind."

Appendix B, attached, is a body of extracts from each of the twelve papers, giving the central theme of each and the major supports of each theme.

9. The third study is a comparison of United States and U.S.S.R. education, made by the National Science Foundation for the independent offices subcommittee of the House Appropriations Committee, as of March 2, 1960. But the message it contains was given, as a matter of fact, even before the Soviet idea became an action in real politics. (Tab C)

The chief witness in the 1960 hearing used that message as his opening statement, with this quotation from an address in 1916 by Alfred North Whitehead, for many years head of the Department of Philosophy at Harvard University:

"In the conditions of modern life, the rule is absolute -- the race which does not value trained intelligence is doomed.

"Not all your heroism, not all your social charm, not all
your wit, not

-7-

your wit, not all your victories at sea, can move back the finger of fate.

"Today, we maintain ourselves. Tomorrow, science will have moved forward yet one more step, and there will be no appeal from the judgment which then will be pronounced on the uneducated."

Appendix C gives details of the findings, which are that the U.S. is today second to none in educational assets but is being challenged by a Soviet style of education which guarantees us a competition we can be sure to win only through work expanded.

10. No issue can produce more difference of mind than an attempt to form agreement on intent behind the use of words. The natural character of language is such that words can be -- and are -- used to inform or to deceive.

The fourth study here listed is entitled, "Language as a Communist Weapon", the record of a consultation with Dr. Stefan Possony of Georgetown University held by the House Committee on Un-American Activities, March 2, 1959. (Tab D)

This hearing has two values above all. First, it brings together historical matters of fact concerning policies adopted and applied in Soviet philosophy toward language. As to this, it must be remembered that in the Soviet view of life nothing is spared from duty to the aim of the state.

For the soldier, it is his life. For the civilian, it is his labor. Soviet art, literature, science and thought, are all regarded as properties in the war for the world.

Second, this consultation attempts to read motive behind variations of Soviet words as used parallel with variations in Soviet conduct over a time scale closely corresponding with the periods reviewed in the other three fields of inquiry by Congress above mentioned.

Thus, it is possible for any student of Soviet word use and Soviet policy action, to discover the law of language effective therein. The first twenty-two pages of the Possony consultation are best for this purpose. Appendix D offers selected passages from these twenty-two pages to illustrate the Soviet theory and

practice in the

-8-

practice in the use of words as weapons.

SUMMARY: Four specialized examinations of the United States compared to the Soviet Union today and measuring for ten years ahead, come together in agreement that each nation rivals the other on an all-out test of power and the fate of the world is at stake, therein.

The United States, having already arrived at a point of superior education, productivity and enjoyment, is to the Soviet Union a hindrance that must go. It has a plan to this end and the plan must be taken as seriously capable of becoming the fact in control of our future.

Our problem is not lack of power but the ancient one -- where to go from the present top? And as to this, can we go it alone, up or down? So far, the burden of this paper has been to reflect the propositions on which the Congress must make some decisions of importance and the information given with which to help it decide.

Here following will be the writer's own attempt to define the ideas which underlie the action -- whatever it may be -- of each body of power, the Soviet Union and the United States.

The Soviet idea is easy to describe, for it is the product of a rigid and formal set of declarations in principle.

Declaration 1. -- All forms of government which are non-Soviet are by their simple existence bad and are not to be endured.

Declaration 2. -- The Soviet form is not safe until all competing forms -- and the people who maintain them -- are dead.

Declaration 3. -- Under the Soviet form, all of human life and all of property belong to the state as its weapons.

Declaration 4. -- The state, applying a test of 'scientific socialism' can organize life and property with superior knowledge and skill. Therefore, the state must not accept competition within the Soviet form any more than it will from without.

The key to

-9-

The key to operation for the Soviet form of life is organization. Only the state shall decide what organization is, just as organization is always a property, itself, of the state. The result in action is that no matter who happens to hold office of authority at any one time, the Soviet state must be -- unless it is without rivals, anywhere -- a state consumed with fear, suspicion and threat.

All power is in the hands of the state. It alone decides. It, therefore, cannot admit error, shortcoming and ordinary human failure of knowledge, judgment or will.

At the philosophic center of the Soviet idea is a concept called 'monism', to indicate that mind, matter and all things whatsoever have one and only one definable nature.

The Soviet idea, being 'monistic', produces in the people who follow it a compulsion to class acts as totally right or totally wrong, to believe an infallible, eternal verdict of correct handling is available for human beings to apply in human situations.

Such an idea in control of a people vigorous, ambitious and endowed with great natural resources of person and property, can have influence. The U.S.S.R., illustrates that the Soviet idea of scientific socialism must be met, if we choose not to submit, with more than simple hope that it will go away.

What, then, is the American idea? The Soviet idea is discovered by plain examination of what the idea's supporters say it is and supported in action by what they do. The Soviet idea speaks with one tongue and acts with one body, the force of government, which undertakes to know all, own all and be all.

The American idea is less one of declared words, we like to think, and more one of obvious results in works.

This may be a habit of modesty, but in fact we do live by declared principles, visible to all and worth mention.

First, the state of government here is well defined in words. These words insure that power in the state is at all times limited. Holders of authority are kept, by the very terms of that authority, unsure of how far they may go.

Neither judges,

-10-

Neither judges, legislators nor executives, are certain of continuing supremacy. Nor is government itself, in any shape or domain, final in judgment on every point at issue. There is always a way to peaceful change, it being the sense of our people that of all the laws in life, change is the only one that is sure.

We allow for change. And to protect the need for change, we use government more as a way of finding agreement among ourselves about what change is next, rather than accept government as a decision-maker for us.

Such a basic approach to life is, in the terms of philosophy, "pluralistic," as against the Soviet philosophy, "monistic." The pluralistic view allows for the chance that mind and matter may not really be only one thing. It allows room for discovery -- both of error and of truth -- as we go along.

The Soviet authorities hold that they must win the world because they are infallibly right in their estimate of truth. But they also hold it their central duty to win the world as fast as they can and by any necessary means. This is their authority to themselves for all they do.

Are we to decide that since we hold the Soviet idea bad by our test it is sure to fail?

To say that a bad idea can be trusted to fail just because it is bad, is to ignore both the American idea and not only the American but the totality of experience.

The world is confronted with the idea of a way without room for error -- organization. There is another idea with room for error and for change -- freedom.

The conflict between freedom and organization is as old as human society. It is the difference between the two that organization seeks to settle everything, once and for all. Freedom leaves room for one more chance.

It is the mission of our time that the American idea apply itself to providing the world that one more chance.

TAB A

Comparisons of the United States and Soviet Economies.

From Proceedings of Joint Economic Committee,
86th Congress, 1st. Session, Pursuant to
Sec. 5 (a) of Public Law 304, 79th Congress - Nov. 13-20,
1959.

Allen W. Dulles, Director of Central Intelligence, the opening witness, with overall estimate of U.S.-Soviet matters. (Pages 2-11 of Hearings.)

SOVIET ECONOMIC AIMS: "...in the Central Intelligence Agency...we have a great mass of evidence to weigh. We try to do it without prejudice...a great deal depends upon the particular sector of the Soviet economy that is under study.

"The Soviet Union is extremely proficient in certain areas, especially in the scientific and technological fields related to its military effort...

"Some recent returning visitors to the Soviet Union remarked with surprise that they can send a Lunik to the moon, but don't bother to make the plumbing work. This is a crude comparison but does help to illustrate where Soviet priorities lie.

"The lag I have mentioned does not reflect Soviet inability to do these particular things. It does evidence a definite decision to defer them to the higher priority objectives of industrial and military power...it is a country of concentration -- concentration on those aspects of production and of economic development which the Soviet leaders feel will enhance their power position in the world... they assign a low priority to those endeavors which would lead to a fuller life for their people."

SOVIET ECONOMIC ABILITIES: "...Once they have determined upon a high priority project -- and they have fewer echelons of decisions to surmount than we before the final go-ahead is given -- they are able to divert to this project the needed complement of the ablest technicians in the USSR which the particular task demands. They can also quickly allocate the necessary laboratory or factory space and manpower required...

"...They do not work on as many competing designs as we. But in many of the technical and military fields the leadtime from the drawing board to the finished product is less with them than with us...

"...The conclusion is

-2-

"...The conclusion is inescapable that Soviet economy has surged forward very rapidly indeed...the statement, frequently made, that much of postwar Soviet growth came from looting plants in Manchuria and East Germany, does not stand up if closely examined...

"...Espionage and the reliance on outside experts, particularly German, is also alleged to have been of crucial importance to Soviet industrial successes since World War II...but looked at in the perspective of Soviet industrial military growth as a whole, and their present competence in both the ballistic and nuclear fields, these factors played a relatively minor role..."

THE SOVIET OUTLOOK: "...The seven-year plan (1959-1965)...is a reasonable blueprint of attainable growth. Experience teaches us that Soviet industrial plans should be taken seriously.

"With respect to their intentions, the Soviet leaders have left no doubt. The obsession with overtaking the U.S. economy in the shortest possible historical time was the dominant theme of the 21st Party Congress last February. It continues to be so...

"The USSR, is now in the opening stages of the seven-year plan, which...establishes the formidable task of increasing industrial output by eighty percent over seven years. The achievement of this goal will narrow the present gap between Soviet and U.S. industrial output. This would be particularly true in the basic raw materials and producers' goods fields.

"In our judgement, these goals can be met, with certain exceptions.

"...The magnitude of the investment program in the seven-year plan, the plan that runs through 1965, is impressive by any standard... under such forced-draft feeding, the Soviet industrial plant should grow at a rapid rate.

"...On the other hand, we see no prospect that the agricultural goals of the seven-year plan will be approached.

"Apart from the problem of agricultural growth...the Soviet...will be forced to cope with certain foreseeable difficulties...more likely to place a ceiling on the Kremlin's ambitions for over-fulfillment than to threaten the success of the plan itself...

"...First, due to the war years, there is an obvious gap between the 1958-1965 increase in the number of persons in the working age

group (15 to 69)

-3-

group (15 to 69) and the labor-force increment necessary to meet the planned goals...

"...second, the metallurgical raw material and the energy industries...must now be brought into balance.

"...a third limiting factor...will be the need for a vastly increased housing program...

"...fourth, the regime faces a complexity of problems in its attempt to increase its automation and mechanization programs.

"...Finally, the Soviet leadership will have difficult decisions to reach in dealing with the popular demand for more consumer goods...

"Those are the limiting factors on achievement of their program."

SUMMARY ESTIMATE:

"The Communists are not about to inherit the world economically. But...we should frankly face up to the sobering implications...and the striking progress...

"The fulfillment of the present seven-year plan is a major goal of Soviet policy...the present indications are that Krushchev desires a period of 'co-existence' in which to reach the objectives of this plan.

"Future economic gains will also provide the goods and the services needed to further expand Soviet military power...also permit the Soviet to further assist in the rapid economic growth of the Kremlin's eastern ally, Communist China...

"If the Soviet industrial growth rate persists...as is forecast...the gap between our two economies by 1970 will be dangerously narrowed unless our own industrial growth rate is substantially increased...

"The major thrust of Soviet economic development and its high technological skills and resources are directed toward specialized industrial, military and national power goals. A major thrust of our economy is directed into the production of the consumer-type goods which add little to the sinews of our national strength...

"The uses to which economic resources are directed largely determine the measure of national power."

Comparisons of the United States and Soviet Economies,
From Proceedings of the Joint Economic Committee, 86th
Congress, 2nd Session, Pursuant to Sec. 5 (a) of Public
Law 304, 79th Congress.

Extracts from Vols. I, II and III, of papers submitted by Panelists
before the Subcommittee on Economic Statistics:

1. Hans Heymann, Jr., Economics Division, The Rand Corporation,
Problems of Soviet-United States Comparisons. (Pages 1-12,
Vol. I of Panel papers):

"There seems to be a tendency...to focus all our attention
on the relative levels of output...we worry much about the
rapidity of Soviet growth, but rarely inquire into its re-
levance...Do such gains represent a significant improvement
of the Soviet power...or is it merely a matter of our being
out-pointed in some meaningless parlor game devised in the
Kremlin?

"The answer...is not entirely clear cut...Economic growth
represents a potential power asset; but...further decisions
are required about how the added resources are to be allocated.
In the Soviet case...it is not difficult to imagine the dir-
ection in which...these...will go.

"...It is not the sudden tipping of the scales, but the
steady and progressive diminution of the U.S. lead that
would tend to be most demoralizing...

"Moreover, such rapid Soviet progress would exercise
fascination and appeal in the vast parts of the world where
speedy economic development has become virtually a prere-
quisite to political survival...

"...A superior U.S. production does not automatically de-
note superior U.S. national power, nor does the political
impact of Soviet resources depend on its achieving parity of
output with us. For both countries, it is the effectiveness
of the actual performance that counts and this must be measur-
ed in the multi-dimensional framework of a society's will and
skill in applying its resources to its national tastes."

2. Robert W. Campbell, Department of Economics, U. of So. Calif:
(Pages 13-30):

"...The past decade

-2-

"...The past decade and a half of research has greatly increased the amount of solid evidence we possess...at the same time it has also added greatly to the sophistication of economists concerning the pitfalls that await those who seek to appraise the relative performance of two economies so different ...

"...What is peculiar to Soviet statistical practice...is the great premium which the Russians place on the propaganda use of economic indicators...

"...Finally it frequently happens that the concepts relevant to some comparison in which we are vitally interested are not well enough defined to be embodied very satisfactorily in actual statistical data in either country...For example...the relative efforts...in science and research...

"In the United States this...has been labelled research and development...the Russians call this activity science...

"Uncertainty in any comparison...therefore, is not so much due to the fact that the specific content of the respective ruble and dollar amounts differs, as to the fact that neither of these amounts measures very exactly just what we would like to measure.

"...Those who make use of the comparative studies...must know that such problems exist, that they cannot always be settled completely satisfactorily and that comparisons...are always subject to some qualification...

"The Russians are truly compulsive in making comparisons of their economy with ours and in the process they turn all the ambiguities above discussed to good account in exaggerating their achievements relative to ours...all these misinterpretations can, of course, also be employed by those who would underemphasize Soviet economic performance.

"...We should take pains to point out the errors...and...avoid the dangers of accepting misleading evaluations of Soviet economic performance from either end of the spectrum."

3. Populations and Labor Force, by John F. Kantner, Foreign Manpower Research Office, U.S. Bureau of the Census (Pages 31-93):

"...The manpower

-3-

"...The manpower demands of the current Soviet seven-year plan (1959-1965) are even greater than those of the defunct plan 6. At the same time, the estimated net additions to the overall labor supply are approaching a nadir. How are the Soviets to make ends meet?...Making up the residual, therefore, would be housewives, domestics, persons in various lines of private employment and the unemployed, including youths who have completed seven-year or ten-year school and are looking for work for the first time...

"There is little doubt that, for the short run at least, the 'reforms' will augment the flow to the labor force through a pruning back of enrollment at all levels beyond the first eight years of schooling...

"...The twelve million additional workers which the Soviet Union needs...are largely non-agricultural...However...the recruitment of labor from rural areas is not going to be an easy solution...

"...To achieve the ends of a plan for economic expansion, labor of the right kind must not only be found but also directed to its proper destination...to meet its manpower objectives the Soviet Union must not only release labor for transfer within the economy but must also develop more efficient ways of transferring it...

"...There is ample evidence that after a long period of treating labor as an abundant resource, the Soviet Union must now cope with an acute shortage...it must not be overlooked that, as in the past, the USSR may employ more direct, more forceful measures to assure the necessary labor input... Finally, there is the alternative of general retrenchment and revision of economic objectives.

"...The Soviet Union is already looking beyond the end of the present seven-year plan to 1975...The most significant determinant of the future rate of growth...is the trend in fertility...Soviet mortality rates are relatively low and can be expected to improve...

"...Putting all the fragments together there seems some basis of expecting a continuation of the decline in fertility which appears to have set in already among the higher birth orders.

"With a slight rise

-4-

"With a slight rise in the death rate and some decline in fertility, the natural increase rate of the Soviet Union could easily fall below that of the United States at the present time.

4. The Labor Force, Warren W. Eason, Princeton University (Pages 73-93):

"...The implication of the declining rate of increase in the labor force, as already pointed out, is a decided pressure on Soviet planners and administrators to use manpower more effectively...If we characterize Soviet...policies...as embodying...the "carrot" and the "stick",...recent evidence indicates a shift in the direction of the "carrot", although the change is not in all aspects of policy uniform...

"...There are many aspects of the Soviet system...many people feel at variance with economic efficiency, let alone human welfare. On the other hand, the basic problems...and the kinds of solutions required in the area of manpower resources are substantially similar wherever found. Soviet leadership...has shown increasing willingness...to make a practical compromise."

5. Warren G. Nutter, U. of Va., Structure and Growth of Soviet Industry; A comparison with the U.S. (Pages 95-120):

"...As one looks to the immediate future - the next five years, say - it seems reasonably certain that industrial growth will proceed more rapidly in the Soviet Union than in the United States, in the absence of radical institutional changes in either country...

"...It is more doubtful that industrial growth in the Soviet Union will be faster than in rapidly expanding Western economies, such as Western Germany, France and Japan.

"...One foreboding economic symptom is the slackening speed at which resource productivity has been growing in American industry. Incentives are being strangled and nothing is being put in their place to drive the machinery of growth.

"There is in fact only one thing to put in their place: the whiplash. The Soviet system has made clever use of both knout and honey, and the latter has been rapidly supplanting the

former. If this

-5-

former. If this evolution continues, the balance of economic growth will surely tip further in Russia's favor, since - fortunately, from the broader point of view - the West does not intend to take the whip in hand".

6. John P. Hardt, Corporation for Economic and Industrial Research, Inc. Industrial Investment in the USSR (Pages 121-141):

"Tempo - the high rate of industrial growth - motivate Soviet economic society...but the Soviets have not sought growth for its own sake...Primarily, the attainment of the maximum growth in certain preferred industrial sectors is sought in order to maximize national power, both political-military power and economic power on an expanding industrial base...It is our view that serious retarding in industrial growth will not result from changes in their industrial investment policy in the current plan period...

"The administrative changes in industrial investment planning under the Krushchev aegis would seem to contribute (through the use of optimum tautness and maximum incentive in planning) to efficiency of capital utilization...Perhaps as important...is the evidence of willingness to continue to make changes...

"On balance, the revisions in the Stalinist formula made under Nikita Krushchev would appear to increase rather than decrease the effectiveness of capital utilization for industrial expansion...Moreover, with no dramatic increase in the U.S. industrial growth rate, the Soviet levels will continue to draw significantly closer to equivalence with U.S. levels of industrial production."

7. David Granick, Carnegie Institute of Technology; Soviet-American Management comparisons (Pages 143-150):

"Both American and Russian industrial managements have displayed a high level of competence and ingenuity...Many of the problems of industrial management are similar...often the Soviet managerial solutions is also similar to the American...

"...There is a considerably higher proportion of college graduates among Soviet than among American managers...The Soviet manager is much less likely than is the American to have received any formal training in human relations...

"Well trained, well disciplined, politically conscious and
active, the Red

-6-

active, the Red executive seems a figure permanently established in the seats of the mighty. There is no justification for picturing him as a man in conflict with the Communist party. Rather, the industrial manager and the party secretary are old classmates, neighbors and colleagues, seeing the world from the same point of view...Both are men well established in the second most powerful country in the world with enormous personal stakes in world stability and in peace...Their attitude toward world revolution and other threats to peace must inevitably bear the imprint of this knowledge."

8. Herbert S. Levine, Russian Research Center, Harvard University and University of Pennsylvania, The Centralized Planning of Supply in Soviet Industry (Pages 151-175):

"The general nature of Soviet planning can perhaps be best described as a combination of the central planning of aggregate categories with the successive setting of details down through the planning hierarchy and the application of constant pressure, from the center to tighten production methods and to economize materials. This is not a picture of finely calculated balances, but of a combination whose aim is to contribute to economic growth."

9. Ernest W. Williams, Jr. Columbia University, Some Aspects of the Structure and Growth of Soviet Transportation (Pages 177-187):

"The adjustment of the Soviet transportation system in reasonable accord with the broad Soviet development objectives has produced a transportation system vastly different from our own...the Soviet system nevertheless displays great strength and must be judged in the light of its capacity for meeting requirements as generated by Soviet economic policy."

10. Holland Hunter, Haverford College, Soviet Transportation Policies -- A Current View, (Pages 189-200):

"The Soviet approach to each problem has been distinctively different from what we are used to...Expand transportation only to the minimum extent necessary for building national power... Policy with respect to...additional capacity seems likely to

remain stringent.

-7-

remain stringent. Enough will be provided to avert bottle-necks - little more...the transport sector can supply net funds for growth of the Soviet economy."

11. D. Gale Johnson and Arcadius Kahan, U. of Chicago, Soviet Agriculture: Structure and Growth, (Pages 201-238):

"Before attempting to evaluate the possibilities of the Soviet Union eventually overtaking the United States in per capita output of meat and milk, we shall present certain information on the long-run relations between the meat and milk output of the two nations. What many people forget and what Krushchev certainly fails to remind us, is that Russia, prior to the revolution, was a major live-stock producing nation second only to the United States. If output on comparable territory is used for comparison, the output of meat in 1958 for the Soviet Union was a smaller percentage of the 1958 United States meat output than in 1913.

"In 1913, on present territory, meat output in the Soviet Union was 58.1 percent of the United States level; in 1958, 48.0 percent. Actually, the present level of Soviet output compares to ours at a lower level than that achieved by the millions of peasant farms in 1928. It was not until 1952 that the absolute level of meat output reached the 1928 output.

"With respect to milk output, we are somewhat less certain concerning the long-term relationship between the two countries ...Roughly speaking, it would appear that the Soviet Union by 1958, had roughly regained the same position relative to the United States that existed in 1913...

"The major question concerning the feasibility of achieving either the objectives of the 1965 plan or of catching up with the United States in per capita production is that of the food supply. While the labor inputs in lines with production are fantastically high compared to the United States, it is probably safe to assume that over a period of a decade that sufficient labor savings could be achieved to permit the production of the required output...

"There is admittedly a great deal of conjecture and speculation in the above appraisal of the possibility of the USSR overtaking the United States...but even when fairly startling increases in yields are assumed, there remains a considerably

short fall in

-8-

short fall in the available food supply...

"There can be no question that the growth of agricultural output in the Soviet Union has been at a rather rapid rate in recent years. The increases...generally fall substantially short of the increases that would have been required for the period 1956-60 if the agricultural goals of the sixth five-year plan were to be achieved.

"In the past there has been little correspondence between agricultural goals and achievement...catching up with the U.S. program have not and will not be met on schedule, if at all..."

12. Nancy Nimitz, Rand Corporation, Soviet Agricultural Prices and costs, (Pages 239-284):

"The argument of this paper is that the disparity between prices and costs has been the chief constraint on Soviet agricultural performance, that price increases over the last five years have almost eliminated this disparity, and that improved incentives and attendant institutional changes have much increased Soviet agricultural potential..."

"Besides greatly improving the size, structure and stability of farm income, price reforms since 1953 have made possible two major institutional changes which promise cost reduction. One is the sale of MTS (Machine Tractor Station) machinery to collective farms. After abandoning the pretense that farms could produce at a loss and make it up by volume, the state had no reason to preserve an instrument designed primarily for extortion...Cost accounting is the other major change made possible by price increases. By providing farm management with a criterion of efficiency hitherto lacking, it removes the last important handicap on collective production.

"Cost reduction on collective farms will not follow automatically from these two innovations. But they are certainly indispensable conditions for it."

13. Lazar Volin, Foreign Agricultural Service, U.S. Department of Agriculture, Agricultural Policy of the Soviet Union (Pages 285-318):

"Agricultural policy has been a prominent question in the Soviet Union as it was in Czarist Russia. It has emerged at every critical junction in the history of the country. The recent transition from the Stalin to the Krushchev regime has been no exception.

"Agriculture,

-9-

"Agriculture, with close to half the people depending on it for a livelihood, continues to be a more important sector of Soviet national economy than it is in the more industrialized countries of the West -- and this despite the industrial growth of the Soviet Union...

"...The principal objective of the Soviet government has been expansion of agricultural production. A sharp upsurge...has become...extremely urgent for the post-Stalin regime, which cannot afford to proceed at Stalin's pedestrian pace.

"...Climate is more of a limiting factor...in the Soviet Union than in the United States. More important is the fact that other basic and closely related objectives...clashed with expansion... collectivization...and (b) the acquisition by the Soviet state at a low cost to itself of large quantities of farm products, which left little incentive to the collectivized peasantry...

"...The impossibility of public criticism of a policy, once it has been officially adopted, and often, inadequate critical discussions before it is adopted -- coupled with reliance on pseudo-science of the Lysenko type which promises spectacular "pie in the sky" -- make prevention or correction of such mistakes more difficult...

"The efforts of the Krushchev regime to remedy weakness on the agricultural front is being done without deviation from the basic principles of agrarian collectivism...

"Although there has been no decollectivization recently in the Soviet Union such as took place, for instance, in Poland and Yugoslavia, limited concessions were made to peasants within the framework of Soviet agrarian collectivism....

"In general, Soviet policy toward peasants has always consisted of a combination of force, indoctrination and economic incentive but the proportion varied from time to time. During the Stalin regime, force predominated. After Stalin, Soviet policy shifted to a greater emphasis on economic incentives...

"The changes...have had, for the most part, a beneficial effect on production. But some aspects, such as the persistent predilection for farm gigantism and corn expansion on so large a scale, seem questionable. In the long run, even the program of expansion on the new lands in the eastern region may more unsound under the climatic conditions prevailing...

"Experience

-10-

"Experience indicates that the Soviet system of centrally planned collective agriculture has been generally more successful in increasing acreage than in improvement of yields...

"Control of farm surpluses and other aspects of farm relief... have been the principal concern of U.S. policy. The Soviet Union, on the other hand, has long been bedeviled by agricultural underproduction and agricultural overpopulation..."

14. Lynn Turgeon, Hofstra College, Levels of Living, wages and prices in the Soviet and United States Economies (Pages 319-340):

"...Each year a potential develops for raising levels of living in the Soviet Union. The two principal factors...are the increase in the labor force employed in food processing and so-called light industries, generally and, compared with this, the increases in output per worker in these branches...

"Taking population growth into account, it would seem that the potential per capita increases in consumption might be running around five per cent annually...

"...Between 1947 and 1954 the Soviet government pursued a somewhat unorthodox policy...distributing the annual gains to consumers. The average annual increase in money wages amounted to little over two percent per annum, but substantial additional benefits were provided to all consumers as a result of annual price reductions of considerable magnitude...Since 1955, there seems to have been a definite change...selective corrections of existing wage and income inequities have been effected. The price level has been virtually stable...cuts have been insignificant...increases in money wages since 1955 have been somewhat greater...the great improvement in old age pensions meant approximately a doubling of pensions of all types between 1955 and 1958...

"The meaningfulness of relative retail prices for Soviet and United States consumer goods and services can be ascertained... in terms of the rubles and dollars available...in the respective household budgets...

"...Our findings are that for every dollar the U.S. subsistence family has available for food, clothing, consumer durables, personal care and recreation, the Soviet counterpart has 4½ rubles; for every dollar the average American family has, the average Soviet family has 6.2 rubles...the gap between subsistence and

average income

-11-

average income levels as far as the purchase of these day to day items, is greater in the Soviet Union than in the United States.

"The average Soviet family's net disposable income is about 2.1 times that of the subsistence family; the average American family's disposable income is only 1.6 times that of the family at the poverty level. On the other hand, the consumption of housing, medical and dental services, and transportation is more egalitarian in the Soviet Union than it is in the United States...

"It seems clear that...practically all consumer goods and services are higher for Russians than they are for Americans.

"In the United States we most frequently have a situation... where sellers are ever searching for potential buyers; in the Soviet Union the reverse situation prevails chronically...

"...We might estimate that Soviet per capita consumption of food might be slightly more than half of our own. On the other hand, Soviet per capita consumption of clothing might be somewhat less than half of our own. But the big advantage that American consumers have over their Soviet counterparts must surely be found in the area of durable consumer goods and services.

"In terms of food and clothing the Soviets stand the best chance of overtaking our level of living. As consumers, we tend to have reached something of a plateau with respect to our consumption of food...we tend to have substituted the automobile and travel for additional food and clothing.

"...It also seems clear that lack of effective demand should never be a retarding factor in raising the Soviet level of living, as it sometimes is in our own economy...the principal...problem... has been one of restraining effective demand...Furthermore, the Soviet government...can virtually guarantee a continuation...if it so chooses.

15. Benjamin A. Javits, President, United Shareholders of America, A Comparison of Incentive in the Economic Systems of the United States and Soviet Russia (Pages 341-347):

"...Basic differences in the ideologies...make strict parallel comparison unfeasible...

"...In the Soviet Union wages are, for the most part, based on a piece-work basis...As the worker exceeds his quota, the incentive system sets up a rising scale to compensate him for increased production...In the United States the wage scale is more on a salary system

-12-

system with piece-work prominent in only a few major industries...

"Another major incentive of both systems is the bonus. In many cases the bonus will make up the larger amount of a Russian worker's annual wages. As in the United States it is paid out of profits... gauged by its reflection in the Government income figures. In the United States, of course, corporate profit dictates the size of its bonus...

...The managerial class of industry in both countries presents another broad phase of this subject.

"In the United States, the salary increase along with the bonus, has become one of the main institutions of business...

"...One of the greatest forms of Soviet incentive is to be found in the almost lavish rewards held out to technical people... Academic accomplishment is one of the outstanding efforts of the Soviet government. ...In the United States this incentive is not so profound.

"I don't think we have to look any further than our newspapers for the proof that great incentives to scientists by the Soviet system have been successful.

"Earlier, I referred to a 'religious' incentive in the Soviet system. This has taken many years to accomplish but now it functions as an integral and vital part of their economy...

"...A joint status and economy incentive shared...is the expense account. This is a surprising demonstration of a capitalistic machine at work in the Soviet Union...

"In the Soviet, the incentive of advance has been difficult... There is simply not enough leeway for the average Russian worker to advance. Of course, a few do get through, but the degree of affluence in Russia is minuscule compared to that found here. Political implications play an important part in the Russian scheme... there exists at the top a small stratum filled by the families of government luminaries and top managerial and technical personnel. The arts contribute their share as well.

"There is one incentive that is paradoxical insofar as it shows a relaxation of the State incentive...by the Soviet, and a continued experimentation by the United States...the highly publicized incentive to agriculture offered by the United States at its expense for the private gain of the farmer...this area of

the Soviet

-13-

the Soviet economy is about the only one in which a free market can be found. After having sold the required crop to the Government, the members of the collectives are permitted to market the excess to the public on a supply and demand basis...

"...The great American incentive of capital investment by the individual is simply unheard of in Russia... Regardless of what position he holds, the American can invest his savings in whatever direction his interests may dictate...

"In summation, the incentive systems...alike in many instances, aim toward different philosophies. In Russia we see that control of many by the few has been the goal. Coercion, rather than freedom, is the underlying instrument of growth. Wages, security, recognition -- all are given by the State for the State. In the United States, the regards are geared to the individual for the individual..."

16. Joseph S. Berliner, Syracuse University, Managerial Incentives and Decision-making: A Comparison of the United States and the Soviet Union, (Pages 349-375):

"The rewards...are such that...the best young people in the USSR turn to careers in heavy industry, science and higher education, whereas in the United States...the best talent flows into... heavy or light (consumer goods) industry, finance, commerce and trade, law, medicine, etc. Higher education, particularly technical, is more of a prerequisite for...a top business career in the Soviet Union than in the United States...

"The principal managerial incentive in Soviet industry is the bonus paid for overfulfillment of plan targets. The incentives system is successful in the sense that it elicits a high level of marginal effort and performance. But it has the unintended consequence of causing managers to engage in a wide variety of practices that are contrary to the intents of the State...

"In those aspects of economic life in which the U.S. economy approximates the operating conditions of the Soviet economy, American managers develop forms of behavior similar to those of Soviet managers.

"The separation of management and ownership characteristic of the modern corporation leads to conflicts of interest...similar to those of the Soviet manager striving to defend his interests against those

of the

-14-

of the owner-state.

"The spread of legislation constricting the freedom of operation of the American firm leads to the evasion of laws and regulations characteristic of the Soviet economy, though on a larger scale, there.

"Finally, under wartime conditions, the burgeoning of Government controls are the dominant role of the Government as customer alters the operating conditions of the U.S. economy in such ways that it closely approximates some of the normal conditions of the Soviet economy...

"...Both nations lose part of the potential pool of managerial talent, the USSR because of its large rural population, the United States because of financial burdens and racial and sex discrimination...

"...The difference in the economic and social position of the scientist and teacher in the two countries is of fundamental importance in the matter of career recruitment..."

"...The moving force of our economic system is the pursuit of private gain...the Soviets have at various times experimented with other forms of incentive...but...private gain has for the last 25 years been the keystone of the managerial incentive system... according to the eminent labor economist, E. Manevich, it will not disappear until the day of general overabundance arrives, until the differences between city and country are eliminated and until the differences between mental and manual labor are eliminated... We are safe in saying that for the next several decades at least, private gain will be the central economic incentive in both systems...

Summarizing, industry in the United States has to compete with a wide variety of other branching economic activity...in the USSR, the values and rewards are concentrated in relatively fewer fields...

"...Heavy industry, science and higher education attract, by and large, a better and more competent crop of young people in the USSR than in the United States...Sales, advertising, finance, trade and commerce, light industry, and law attract a much more competent group of people in the United States in the USSR...It is but another way of saying each society gets what it pays for."

17. Morris Bornstein, University of Michigan, A Comparison of Soviet and United States National Product, (Pages 377-395):

"...Of all the

-15-

"...Of all the respects in which the economies of these two countries may be compared, national product comparisons probably provide the broadest, most comprehensive view, because they embrace, for each country, the net output of all goods and services produced during the specified period...

"Although in 1955 the USSR had a national product less than half that of the United States the USSR had an approximately equal defense effort and a level of investment about three-fifths that of the United States. In contrast, per capita consumption in the USSR was only about one fourth that in the United States...

"...Since 1950 Soviet national product has been growing at approximately twice the U.S. rate...These rates apparently represent a continuation of differential trends...in the last three decades...Primary among the factors responsible are the rate and composition of Soviet investment. Not only have the rates of Soviet gross and net investment been high but, moreover, Soviet investment has been directed mainly toward heavy industry rather than toward consumers' goods industry, agriculture, housing and consumer services...

"...One consequence of the higher Soviet rate, of course, would be an increase in the size of Soviet national product relative to that of the United States...

"...Such an increase...need not in itself be considered alarming. More important is the significance of a rapid rate of economic growth for the world position of the USSR...the consequences of this enhanced Soviet position will be of great importance to the United States and the rest of the free world."

18. Francis M. Boddy, University of Michigan, National Income and Product of the USSR, Recent trends and prospects, (Pages 397-401):

"...The seven-year plan calls for total capital investments in the national economy in 1959-1965 of 1,940 to 1,970 billion rubles an increase of 81 to 84 percent over the investment total for 1952-58 of 1,072 billion rubles...

"...Even a scaling down...will leave possible growth rates that make it possible for the Soviet income and product to approach the levels of those of the United States in the not too distant future if our growth rates of the recent past are not substantially increased."

19. Robert

-16-

19. Robert Loring Allen, University of Oregon, An Interpretation of East-West Trade (Pages 403-426):

"...The Sino-Soviet bloc is not a large world trader. The countries of the free world export less than three percent of their total exports to the bloc and acquire less than three percent of their imports from the bloc...The largest component of bloc foreign trade is Soviet trade...

"Between the two world wars Soviet foreign trade reflected its policy of autarchy...only enough to insure...its economic plans...Both exports and imports were below the 1913 czarist levels...In 1957 and 1958 the bloc countries were parties to 240 agreements, with the Soviet Union having the most agreements... Since 1953 bloc trade has been rising rapidly...

"...The Soviet bloc trade is not of any great significance... It is frequently speculated that the Soviet Union now and will increasingly possess the capability and desire to use its influence in trade to disrupt world markets...there will unquestionably be instances...but the general trend at this time seems to be in normalized trade and the economic and political benefits it confers...

"...The use of a state-trading agency by the U.S. government...would give every advantage to the opposition...the strength of the United States lies in...a better and different system of trading. To adopt the oppositions methods would be to lose before starting...

"Within the limits of the security of the United States there is no reason why the Soviet Union should not buy what it pleases in this country...there seems to be little advantage in continuing to hold lend lease and tsarist debts against the Soviet Union. It would seem more desirable simply to let U.S. exporters decide on credit matters on the merits of each case... Let the Soviet Union buy what it will; let Americans buy what they will, -- all within the traditional framework ...

"Reliance upon the enterprise system...should be the keynote of U.S. policy."

20. Franklyn D. Holzman, University of Washington and Russian research Center, Harvard University, Some Financial Aspects of Soviet Foreign Trade (Pages 427-443):

"Financial factors play a less important role in the Soviet

-17-

economy than they do in the economies of western nations... nevertheless...will continue to have significance as long as trade is not conducted on a strictly barter basis...

"an exchange rate is the price of one currency in terms of another or in terms of gold, the common denominator of currencies...

...an exchange rate between two currencies which (1) more or less achieves a balance of payments without controls, and (2) roughly reflects the price differentials between countries of "tradeables", is an equilibrarian exchange rate...

"...it is no exaggeration to any that over the past thirty years no western nation has been as far out of line from its equilibrium rate as the Soviet ruble exchange rate...the Soviet exchange rate has been so far out of line and controls have operated so successfully, that it seems fair to describe the rate as no more than an accounting device for converting foreign currency prices...for the purpose of constructing foreign trade accounts in local currency...

"As a planned economy, the Soviet economy is much more insulated from the impact of foreign trade than are the economies of other nations...

"...If foreign trade has a net inflationary or deflationary effect in the consumers' goods market, is this effect likely to be very significant? My guess is that it is of no great significance...

"This is not to imply that the Soviets have perfected the science of financial planning. Far from it...

"The Soviets are believed to be the second largest gold producer in the world, after the Union of South Africa. The Soviets have not however, published figures regarding either their gold stock or gold production for at least three decades...they may have accumulated as much as \$2 billion worth of gold prior to World War II...This would have been an impressive stock at prewar prices...In its annual Bullion Review for 1955, Samuel Montague and Co., estimated that the Soviets are now producing 10 million ounces or \$350 million worth of gold a year...they concluded the Soviet gold stock is currently (1955) in the neighborhood of...7 billion.

"...there is some question as to whether the mining of gold is an economically profitable operation for the Soviets in terms

-18-

of the imports the gold can buy...Recognition of the relatively low purchasing power of gold has led no less a luminary than Deputy Premier Mikoyan to accuse the United States of exacting a tribute from the gold-producing nations and to call for an increase in the price of gold...

"There is considerable doubt that any system of multi-lateral settlement could be implemented in terms of Soviet bloc currencies so long as they maintain exchange rates which are not mutually realistic in terms of their respective cost-price structures."

21. Henry G. Aubrey, National Planning Association, Sino-Soviet Activities in less Developed Countries, (Pages 445-466):

"...In the period from mid 1954 to mid 1959, assistance granted by the Sino-Soviet bloc to twenty countries totaled about \$2.7 billion. About three-quarters of it was economic aid...in the same five years, the United States gave the same twenty countries about \$5.3 billion of economic assistance, more than 2½ times the Communist assistance..."

While this ratio appears comforting, it is questionable whether quantities count for so much...it is desirable to distinguish between two impact effects...the first is the direct economic and social impact, a slow change induced over time, often unspectacular, sometimes intangible. The second is the impression aid makes upon the recipients' mind...direct, immediate and politically potent.

"The U.S. development aid programs have been fashioned with the first impact in mind. The Communists have shown themselves much more finely attuned to the second..."

"The United States, as the world's largest trading nation could do well to recognize the trend and to lead rather than lag on the road to better western economic collaboration with the less developed areas."

22. Edward Vennard, Edison Electric Institute, Evaluation of Russian threat in the field of electric power (Pages 467-487):

"There are 52 power systems in all of the USSR. Many of these are individual plants, not interconnected with any power grid... at some indeterminate time in the future, these...are to be linked...in European Russia and... in Central Siberia to form a single power grid.

"...In the field of engineering and construction of power facilities,

-19-

facilities, we believe the Russians are good. They are making good turbines and generators. We are unable to get any figures on the efficiency of manufacture, but the resultant product is good. We believe the Russians are capable of building the larger units. Also, in the fields of transformation, transmission and dispatching, we believe the Russians to be competent. Their research facilities are good...

"Knowing of Russia's technical and scientific ability, it would be safe to assume that she is capable of reaching a total of 108 billion kilowatts in power capacity by 1965...

"In the field of electric power it appears that Russian production will be considerably behind that of America for at least as far as we can foresee in the future...

"Many people feel that Russia is not likely to overtake us at all unless there is a substantial change in the ground rules. I am inclined to support this theory. I do not believe Russia will catch up with us unless Russia adopts the incentives and rewards of the free enterprise system, or we abandon that system."

23. Charles B. Shuman, President American Farm Bureau Federation, An agricultural view of the Soviet Threat, (Pages 489-507):

"...the outstanding difference between American and Soviet agriculture is the fact that our agriculture is characterized by independent, family-type units operating under a private, competitive enterprise system, while Soviet agriculture is characterized by collectives and state farms operating under a centralized system of bureaucratic planning...both...have very great natural resources for agricultural production; however, we have some definite advantages in this area...soil scientists report that the USSR has great soil resources and that much of the land now under cultivation has a high natural fertility.

"Adverse climactic conditions are the most serious natural handicap faced by Soviet agriculture...

"From a long-run standpoint, our greatest advantage over the Soviets in agriculture, as well as in other fields, is not to be found in natural resources or in technology, but in the fact that we have an incentive system while the Soviets have a planned economy...

"...During the last few years the Soviet Union has moved into a leading position as an exporter of grains, principally wheat...

-20-

wheat...the Soviet Union possesses the means to seriously disrupt the European market, or for that matter, the world market, whenever she so wishes -- assuming a normal harvest...

"...It is imperative that our farmers, the grain trade and the U.S. government understand what is going on and the need to compete vigorously in the European market...

"...Soviet trade policy on farm commodities is tied in to an extent with the export policies of Communist China...It must be noted that Red China's exports of soybeans increased from about 700,000 metric tons in 1957 to 990,000 tons in 1958...exports will amount to about 1,350,000 tons in 1959...Production...will continue to increase and American producers must expect severe competition...It is also believed that the Chinese Communists have serious future export intentions for other oilseeds and tobacco...

"On the basis of the foregoing, it obviously is extremely important that the United States be alert...we must compete on tough, commercial terms with quality products...

"The American farmer is the most efficient producer in the world. We can become even more efficient and we must. This means an end to unrealistic farm price support programs and a return to the farmer of those opportunities and incentives which permit and induce him to produce for the market as economically as possible...we are in a weak position either to criticize Soviet pricing policies, or to urge that other countries take countervailing action against disrupting Soviet pricing tactics as long as we subsidize the bulk of our agricultural exports..."

24. John Raber, Indiana Farmer's Union, Statement of Indiana Farmers Union (Page 509):

"As an Indiana farmer traveling in Russia in July of 1958, I had the opportunity to talk with Russian farmers, to see and evaluate their system of agriculture as compared with our own...

"...In comparing the Russian farm economy with our system, I have concluded the American farmer and his equipment is superior to the Russians. But the attitude of the American farmer today is lacking in enthusiasm and purpose and this will to succeed is dying. The Russian, on the other hand, accepts this comparison and is dedicated to his task. He has confidence and is living for his future."

25. W. W. Eshelman,

-21-

25. W. W. Eshelman, National Education Association, Some Comparisons Between the Soviet and the United States Economical Commitment to Education (Pages 511-515):

"The over-riding characteristic of the Soviet system is its fervent dedication to world communism and its strong belief that communism will inevitably dominate the world...

"...We simply do not know enough about Soviet educational finance to make anything more than intelligent guesses about this important problem... Our scholars do not have enough help to translate those works which are necessary to assess the extent and direction of the Soviet effort.

"...I am not happy to report that the Soviet society seems to treat its teachers better, financially and prestige-wise than we do...

"...It is likely that ten years hence our schools and colleges will require at least double their present level of financial support to handle our growing student population...

"...Within the context of their system and their objectives, the Soviets may well be achieving more progress toward their ends than we are toward ours... Our nation is faced with internal and external problems that will force us to do a better job of education than we have done at any time in our history."

26. Howard C. Petersen, Committee for Economic Development, Soviet Economic Growth and United States Policy (Pages 517-527):

"The rapid growth of the Soviet economy is one of the leading facts of our lifetime...but just how it will affect us and how we are to respond are, in my opinion, far from clear or certain...

"Surely, the Russians may be expected to take pride in their progress and to exult if they ever succeed in their goal of overhauling us in what they view as an economic race. But it is hard to see how the Soviet leaders could become more inplacable enemies of the Western democracies than they have in the past. And it is hard to see why their own success should increase hostility toward us among the Russian people...

"Our reaction should not be one of amazement or despair... Our reaction should not be to attempt to match the Russian growth

rate simply

-22-

rate simply because the Russian rate is higher than ours. Those suggesting such a course have not, in my opinion, even begun to explore its implications or its costs.

"In general, there are four broad types of action we might consider to accelerate our rate of growth.

"First, we can try to reduce involuntary unemployment of our resources...

"Second, we can try to make our economic system work more smoothly so as to get more real product from the resources now going into production...

"The third possibility, then, is to increase the amount of work done...

"Fourth, we can increase the rate of economic growth by devoting more of our output to uses that promote growth...

"We are engaged in a competition of systems, not a competition of growth rates. Our strategy should be to make our own system work as well as we can, in terms of its own values. The values that our system serves are the values that men everywhere would choose if given the chance...

"The Russian threat is grave...we should be providing much more economic development assistance to the underdeveloped countries...additional public expenditures...must be matched by higher taxes...

"Our success in the continuing struggle against Communist imperialism will be determined by our faith, determination, willingness to sacrifice, intelligence and ingenuity. If we fail it will not be the result of an inadequate economic base..."

27. Gerhard Colm, assisted by Joel Darmstadter, National Planning Association, Evaluation of the Soviet Economic Threat. (Pages 529-543):

"...Soviet economic growth is a threat to the extent that it serves as an instrument of military buildup and militant foreign policy...the United States can, for decades, still have the greater economic capacity. What is decisive...(is)...the extent to which the potential is realized and the allocation which is made

to purposes

-23-

to purposes of defense and foreign economic policy...

"...(1) Soviet claims -- past and projected -- are by no means outlandish compared to the Western "probable" estimates. (2) Even a declining rate of growth will, at the relatively high levels deemed reasonable, often yield impressive increases. This means, for example, that even with Soviet steel capacity equal to one third that of the United States, a Soviet rate of increase three times as high as ours, will produce annual increments to output as high as those of the United States...

"Reviewing what the Soviets have undertaken in their "economic offensive"...Soviet bloc activities do appear as a threat only because they must be interpreted as elements in Soviet strategy. It must be assumed that this strategy is still influenced by important aspects of the Marx-Leninist creed...

"...Western strategy must be designed to meet two inter-related challenges, namely (1) the worldwide strategy of Communism based on the conviction that all countries "must" become Communistic...and (2) the fact that the USSR has entered the group of great industrial nations...

"...An economic growth race per se would not contribute to meeting the Soviet threat. There is, however, a big difference between engaging in a 'gross national product race' and promoting a rate of steady economic growth...

"Such a rate of growth, appropriate in the light of U.S. conditions and objectives, would be less than the Soviet rate of growth, but higher than the rate of growth of the U.S. economy in recent years...the Joint Economic Committee is devoting a special study to this vital task...

"It is important for Americans to realize that our productive resources are adequate for any requirement...the Soviets must recognize we can stand an armaments race better than they can, so that it becomes more prudent not to engage in it..."

28. Jay Lovestone, Director of International Publications, CIO-AFL, Basic Distinctions Between the Soviet Economy and American Economy (Pages 547-568):

"The economy of a country is much more than a compilation and comparison of production figures. The men and women who work in industry, agriculture and the services are more important...the human element

-24-

human element is the decisive factor...

"...The conception of American capitalism expounded by Krushchev during his recent sojourn in our country, does not correspond with reality. In fact the very characteristics he attributes to the American economy are inherent features of the Soviet economy...

"...In the Soviet economy, the workers are defenseless and exploited...In the United States, economic progress is becoming more and more associated with social progress...

"...In the USSR the State has final and complete authority over every phase and expression of economic life and activity...there exists a political machine with absolute power...this political machine...the Communist party...is the residuary of all power--economic, military, social, political, cultural, religious...Such a society and its economy are totalitarian to their core, anti-democratic...

"...The Soviet economy is dual in character. It is national. It is, at the same time, Communist and, therefore, worldwide in its overall and ultimate objectives. Given this dual character, the aims of the Soviet economy are...to attain such economic progress and strength as will make the Communist system serve as a magnet and model especially for the industrially undeveloped countries and, thereby, further hasten Moscow's conquest of the world and its remolding on the Soviet pattern...

"...American labor is deeply concerned because of two grave dangers which emanate from the degraded and degrading position which the workers occupy in the Soviet economy...the potential menace of the growth of Soviet production based on low pay and poor standards, even on forced labor conditions; and the enhanced power for aggression and war...

"...Talk about the state withering away with the 'building of socialism' is being heard less and less in Soviet ruling circles, these days. Instead, there is increasing talk about the state becoming the dominant force in determining the 'factors of ideological and moral influence in all spheres of life'...

"...The totalitarian state economy of the USSR cannot be understood or judged on the basis of the criteria applied to other economies...

"In view of the basic Soviet aims...wishful thinking in regard to the changes that have recently taken place in the Soviet economy

-25-

would be very dangerous...the total subordination of the economic and technical experts to the professional party bureaucrats (who owe their privileged position and very existence to Krushchev and his machine) is not an act of genuine decentralization or liberalization of the Soviet economy...

"...the last two years have been a hardening of Communist policies toward the workers in the USSR...to cap it all, Communist party control is being expanded and intensified on the field of labor and economy in particular...

"...An examination of the Krushchev labor reforms...will show how little they mean...

"...The well-being of the American people urgently requires that our nation step up its rate of growth...the high rate of Soviet economic growth has also been attained in very great measure at the expense of labor's democratic rights and by denying the Soviet peoples freedom...American labor is for an expanding economy in freedom...The reserves of vital forces in our Nation and its economy are enormous. We have nowhere near topped them. We can and must do so..."

29. Willard L. Thorp, Merrill Center for Economics, Amherst College, Soviet Economic Growth and U.S. Policy (Pages 571-588):

"To catch up with and surpass the United States' is an incessant Soviet slogan...In the United States there is no comparable drive to keep ahead of Russia...

"The new seven-year plan does not suggest any major changes from the past. Investment still is to go largely into industry and mostly into the basic industries...

"It seems clear that both the United States and the USSR are strong enough so that they can fully support such military requirements and foreign economic policies as they require. The relative rates of economic growth are not the key elements in either of these areas...

"What is very important is the image of each country which is created in peoples' minds throughout the world. The great danger is that the Soviet Union will become associated with growth which the Western countries will be maneuvered into positions where they seem to be more interested in security and stability...

-26-

"Perhaps rising living standards may lead to humanizing political and economic changes within the Soviet society...and a less truculent attitude..."

"Speculating along these lines may be of great importance to one seeking optimistically for some ultimate basis for peaceful coexistence, but clearly any such development is a long way away...the distant hope cannot be given much weight in the consideration of present policies."

30. W. W. Rostow, Massachusetts Institute of Technology, Summary and Policy Implications (Pages 589-608):

VERDICT: "I believe I speak for virtually all the panelists...when I say...Our dangers do not lie primarily in the size of the Soviet economy or its overall rate of growth. Our dangers lie in a particular allocation of Soviet resources; in particular Soviet policies; in the way we Americans now conceive of our problems on the world scene; and consequently, in the way we allocate our resources, human and material..."

"The fate of the United States does not depend on immutable laws of economic growth nor the curving path of index numbers; it depends upon the actions we Americans take or fail to take; and ultimately it comes to rest on our faith in the democratic process..."

PEOPLE: "Soviet war losses and recent fertility rates set against the American birth rate have yielded over the past generation a dramatic narrowing in the relative size of the Russian and American populations..."

FOOD: "After a long period of notably sluggish productivity in agriculture, Soviet policy has moved with some success to improve incentives and organization and to increase output of higher grade foods..."

FUNDS: "The rate of Soviet gross investment (about 25 percent of GNP) is likely to persist and to remain slightly above the American rate (about 20 percent of GNP including government investment.)"

MOVEMENT: "Russia remains and is likely to remain for the next decade, more heavily dependent than the United States on the intensive

-27-

use of its railway net..."

ENERGY: "...Both nations are sufficiently well endowed with resources sufficiently economical to justify only a relatively slow introduction of atomic energy...technically, there appears to be increased emphasis in the USSR on thermal rather than hydropower; and the relation of power sources to industrial areas has led to virtuosity in high voltage transmission..."

OPERATORS: "Over the past thirty years the Soviet Union has devised a framework of education and administration, compulsion and incentives, which yield men and institutions capable of operating a modern, rapidly growing economy..."

GOODS: "...In 1955, Soviet industrial output was not more than a third of American, perhaps substantially less; industrial productivity per man, certainly below one third; and GNP about 40 percent.

"Soviet industrial output is likely to increase...at about 8 percent per annum, GNP at about 6 percent.

"Assuming optimistically a rise of 4.4 percent in the rate of increase of American GNP, the ratio of Soviet to American GNP would rise from its figure of 43 percent in 1958 to 48 percent in 1970, the equivalent per capita figures being 36 and 41 percent.

"A three percent U.S. growth rate would lift Soviet GNP slightly over 50 percent of the American figures by 1970.

"Given the differences in growth rate this would mean that the Soviet Union would dispose for the first time of a larger annual increment in GNP than the United States, at the end of the coming decade."

BUTTER: "Taken all in all, a rise in the Soviet standard of living from something like one third to about 40 percent of the American level is to be anticipated over the next decade."

GUNS: "When corrected for all the relevant factors, Soviet military expenditures are at about the same level as American outlays; that is to say, the Soviet government is allocating more than twice the proportion of GNP to military purposes than the American government."

DRIVE:

-28-

DRIVE: "Although Communist bloc foreign-aid figures in no way measure the scale nor define the nature of the Communist threat in Asia, the Middle East, Africa and Latin America, Soviet military and economic assistance to underdeveloped areas was about half the level of American assistance in the period 1954-1959. In addition, Moscow may have granted important assistance to Communist China over these years, although it is not certain. In 1959, some 4,700 Soviet technicians were engaged on work in the free world, about 75 percent of the number of Americans."

MEANING: "To make sense of this broad picture, and to pose the questions it raises for American policy, it is important to look far back into the history of the United States and Russia...

"...This analysis would define societies as falling into the following broad categories: the traditional society; the pre-conditions for takeoff; the drive to technological maturity; the age of mass consumption..."

USA "...American industrialization took hold seriously in the two decades before the civil war...at about the turn of the century, Americans developed new concepts of their status on the world scene...But when the possibilities of technological maturity had been sorted out, Americans, in effect, decided to use their industrial machine to create a new way of life... we have built up vast requirements for social overhead capital; to round out the new suburbs; to reconstruct the old city centers; and to meet the requirements for the enlarging American population..."

USSR "...Russian industrialization took a firm grip some forty years after the process had begun in the United States -- in, say, the 1880's. And the Russian equivalent of the American pre-civil war takeoff took place in the decades before the first world war...In terms of these stages of growth, Russia is now roughly at the level of the United States in the first decade of the 20th century; but it comes to maturity at a different, more advanced level of technology. And Russia, like the United States and nations which have achieved technological maturity, confronts the question, to what larger purpose should its mature establishment be put -- to enlarge Russian power on the world scene, to soften the harshness of the drive to maturity or to enlarge consumption?"

CHOICE:

=29-

CHOICE: "Since 1953, the Soviet Union has, to a degree, reduced the harshness of police state rule and cut down on forced labor. To a degree it has increased the level of consumption of the Russian peoples. But its basic decision has been to use the annual increments in production to maintain a very large military establishment and to continue pressing for enlarged power on the world scene."

CHALLENGE: "In historical terms, the challenge posed for the United States is whether a nation which has gone beyond the age of the automobile and suburbia, and is concerning itself with larger families, travel, the refinement and differentiation of consumption, and the various uses of leisure can cope with a nation now arrived at technological maturity, pressing out on the world scene with high ambition, to see how far it can go even at the expense of postponing the satisfactions (and problems) of the mass automobile and the single family house."

"In policy terms, the challenge posed for the United States is symbolized--not defined, but symbolized-- by the fact that a nation with less than half our GNP, living at about a third of our standard of welfare, is spending as much on military matters as we are; putting 75 percent as many technicians and 50 percent as much capital as we are into the non-Communist world, quite aside from its allocations of men and credit within the Soviet Bloc."

POWERS: "The potentials for American growth in the next decade, would, I believe, permit us both chronic full employment and one of those surges of growth which transcend the long average of 3 percent per annum in GNP..."

"The achievement of a high rate of growth is, however, neither automatic nor assured; we shall have to find new ways of handling the inflation problem, and we shall have to take special steps to assure that the potentials for productivity increase are, in fact, exploited..."

"Our experience of the past century, and three quarters, should convince us that the democratic process in the United States is tough, resilient and capable of handling whatever problems the flow of history may place on our agenda."

FORECAST: "Between now and 1970 a decisive test will take place. The

real

-30-

real lesson of your panelists' papers is that there is nothing in the structure or growth rates of the two economies that will automatically determine the outcome of this test. The answer lies in whether our political leadership mobilizes the evidently ample resources that lie to hand -- resources of will, of skill, of talent, of commitment to the American heritage, as well as goods and services -- to do the job."

31. Harry Schwartz, New York Times, Reflections on the Economic Race (Pages 609-615):

"...We are on the eve of a tremendous increase in Soviet capabilities of all kinds and of a vast expansion in Soviet competitive power against us...not restricted by the Soviet Union's potentialities...It is essential to bear in mind the growing economic strength of the total Communist bloc...

"...The free world as a whole has no more right to complacency than does the United States alone. Moreover, it should be borne in mind the Communist bloc as a whole has only about half as many people as the free world...

"...Even the minimal 1965 estimates...give Communist bloc per capita 1965 production estimates substantially exceeding the actual per capita free world figures for 1958 in the case of pig iron, steel and cement.

"This is a useful reminder that the free world consists not only of highly industrialized countries...but also of many undeveloped countries...which at present contribute very little to the industrial strength of the non-Communist world...

"There would seem to be in this country a substantial amount of informed and responsible opinion which recognizes that we must meet this challenge and this competition within the framework of our democratic institutions.

"I take it that this recognition is, at least in part, behind such suggestions as President Eisenhower's proposal last January for a committee to set up long-range national goals as well as last year's recommendation by the Rockefeller Brothers' Fund study group on the national economy that this nation seek to expand its output more rapidly and more regularly than in the past, perhaps by five percent per annum...

"...The real danger, I fear, is that we will do too little and too late to meet the Soviet economic challenge, rather than that we will engage in any mindless, reckless rush to change our basic institutions."

TAB B

United States Foreign Policy
Studies Prepared at the Request of the Committee
on Foreign Relations, United States Senate
Pursuant to S. Res. 336, 85th Cong.
and S. Res. 31, 86th Cong.

1. Corporation for Economic and Industrial Research, Inc., World-wide and Domestic Economic Problems and their Impact on the Foreign Policy of the United States:

"The fundamental fact which guides our foreign policy problems is the determined, relentless intention of the Soviet Union to control the world. It is important that the United States realize this is not an idle threat, because the unusually rapid industrial growth of the Soviet Union adds menacing power to its designs...

"To face the facts of future Soviet power politics, we must think in terms of a ten- or twenty-year 'endowment policy' of adequate size...well within our capability because the free world has at present four-fifth of the world's income and two-thirds of the world's population.

"America's foreign policy must increasingly seek to mobilize these free world resources for the military and economic programs necessary to frustrate Soviet designs.

"...(1) The USSR is prepared to use force wherever it believes force will pay off, and (2) the USSR is undertaking a varied offensive against the vulnerable parts of the free world -- the undeveloped countries.

"The cost of meeting both threats is the long-run premium for our security insurance. To consider one and not the other, or to pose the issue, 'military versus economic aid' overlooks the multipronged offensive we are facing. This country and its allies have the resources to handle both costs...the United States must become increasingly 'growth conscious'...face up realistically to our danger...the obvious need is for the free world, first to find a way to act together,

and second

-2-

and second to act decisively enough.

"This is the challenge to the legislators and administrators of America today. The fate of the free world may well rest on their energy, courage and wisdom in the years immediately ahead."

2. Stanford Research Institute, Possible non-military Scientific Developments and their Potential Impact on Foreign Policy Problems of the United States:

"Scientific developments in the next decade will give rise to or intensify many problems that must engage the attention of foreign policy planners. Scientific developments will also help solve foreign policy problems.

"But the outlook is that the progress of science and technology will do more to create or intensify than to ameliorate such problems, unless deliberate policy measures are taken...

"The national interest requires a more conscious direction of scientific activity in ways likely to assist in achievement of America's international goals.

"The security and well-being of the United States call for a reappraisal of present allocations of scientific and technological effort with a view to directing more effort toward non-military foreign policy challenges...

"It is feasible, within limits, to think out what kinds of discoveries and inventions are needed and then, by deliberate policy, to stimulate the desired types of development...

"Foreign policy planning of the broadest kind, making use of the best scientific assistance, will be a crucial requirement in the years ahead. This planning should include continual review of prospective scientific developments and their significance for international relations...

"...In certain scientific areas, man is truly engaged in worldwide activities -- activities that can no longer be contained within the scope of national boundaries... Foreign policy problems will result -- these new problems will require cooperation between nations... best achieved if it is

worked out

-3-

worked out before the full impacts of the developments are with us...

"...In the absence of catastrophic war it is likely science and technology will develop even more rapidly in the future than in the past. The evidence for this view is compelling...we need not merely wait passively for whatever comes...it is possible to take the initiative..."

"...Every electric motor and generator in the world stems from the basic research in which Faraday discovered relationships between the flow of current in a wire and the movement of the wire in a magnetic field..."

"Pasteur's linking of micro organisms to disease, Einstein's statement of mathematical equivalence between matter and energy, Keynes' theoretical development of the interrelations among savings, investment, income and employment, are examples from the biological, physical and social sciences of basic research which has contributed to very important practical results..."

"...The major need is for better theory...--that is, a mental model or map of the way things seem to be arranged in the real world, of the way things interact, of cause and effect. Better theory comes from basic research..."

"...The modern world...is continuing to change all the time...Conventional wisdom is not an adequate guide to policy in such a world..."

"...International scientific conferences...merit further encouragement...the United States might give leadership in establishing... 'The International Development Year--Science and Undeveloped Areas'...also the lead in proposing... a United Nations university system at the advanced (post graduate) level, with campuses...in various regions of the world..."

3. Foreign Policy Research Institute, U. of Pa., Western Europe:

"The future of the free world depends upon the strength and unity of the North Atlantic community of nations. The Atlantic peoples have developed strength and unity through diverse organizations. Among these the most important is the North

-4-

the North Atlantic Treaty Organization.

"...the idea of North Atlantic unity shows its strength from forces more fundamental than the immediate dangers of the Communist threat...

"The world is passing through a systematic revolution... this process poses problems which challenge all Atlantic countries...their closest collaboration is essential if they are to assure the gradual and peaceful integration of the emergent nations into the free world and to secure to them the benefits of freedom and the better life which only the North Atlantic peoples can help them to obtain...

"Thus far, the realization of European unity has been functional and partial rather than political and universal...during the next decade, the United States will face problems more complex than those of the first postwar decade...

"...Neutrality...has become a more pervasive force...a serious obstacle...is the persistence of fears...the United States may grow weary of the cold war and agree to some modus vivendi with the Soviet Union...

"...NATO forces need nuclear weapons desperately...to meet the military technological problems of the future...

"...The Soviets may be planning for all-out war...the developments of European capabilities, given the lead-time problems of modern arms...must begin forthwith...

"...Limited conflict in Europe may occur at any time.

"Under each of these two timetables, the redesigning of European defenses and the development of a more flexible NATO strategy are urgent requirements.

"...The creation of a military posture which will make it practically impossible for the Soviets to conquer Europe...may be the most effective way of depriving the Communists of their motives to go to war.

"...The anticipated expansion of European industry is likely to produce surpluses which will enhance the attraction of Soviet trade offers. As the Soviet pull on the European economy grows stronger,

-5-

stronger, it will be necessary for the NATO allies to coordinate their economic policies more closely...

"But the effort to insulate the free economies of Europe against the dangerous effects of Communist state trade monopolies will ultimately depend upon a sizeable increase in the absorptive capacity of free world markets...

"...As partners Europe and the United States can remain economically well ahead of the Sino-Soviet bloc for an indefinite period of time.

"The United States, during the next decade, should have one over-riding objective in its foreign policy -- to strengthen the NATO military alliance and to unify the Atlantic community in both the political and economic field."

4. Program of African Studies, Northwestern University, AFRICA:

"The United States has never had a positive, dynamic policy for Africa. Until very recently, we have looked to the continuing control by friendly European powers as a guarantee of stability and dependable cooperation and have been reluctant to acknowledge the principle of self-government as fully applicable to its peoples."

"Yet, in 1960 we shall be dealing with nine or ten fully independent states in Subsaharan Africa alone, and a decade later with perhaps more than twice that number...

"Official statements repeat our historic position with respect to the aspirations of African peoples for self-government. However, these ideologically significant declarations are so qualified, as they hasten to add that self-government is only for those who can demonstrate that they are ready for it, that they lose much of their effect...

"A position of this kind nettles the Africans because of the qualifying contents, while the European governing powers react to the presence of our traditional affirmation...

"For the continuation of good relations between the United States and Africa, we must relinquish the negative, ad hoc approach that has marked many of our policy statements and operations...we must, above all, move beyond the compulsive preoccupation with Communist penetration that has so

strongly

-6-

strongly motivated our actions...

"Because an African state exchanges diplomatic representatives with Iron Curtain countries, or sends some students to study there, or accepts technical aid from them, this does not mean that political commitment to Communism will necessarily follow...

"It is common knowledge that Africans have shown a preference for assistance from the countries with which they have had earlier and extended contact, and are turning to Western Europe, Israel and the United States for technical personnel...

"...U.S. policy, in furthering its own best interests and in accord with the action of some of our NATO associates, should be guided by expectations of the Africans in all Subsaharan Africa.

"The United States must treat Africa as a major policy area, to be approached on a level of equality with other policy areas, particularly Europe, where African-American interests are involved..."

5. Conlon Associates, Ltd., Asia:

"This study describes and analyzes major trends in Asia over the next decade and suggests courses of policy action. The impact of these policies will be determined to a large extent by the total context in which they are carried out. Global problems cannot be handled in a compartmentalized fashion. Communism is fully aware of this and exploits it effectively.

"U.S. policies in Asia should also take this fact into account and develop a strategy in which the timing and relationship of specific policies are carefully calculated...

"...The traditional fabric of societies in Asia is rapidly disintegrating while the creation of viable modern nation-states is lagging behind.

"...Communist methods have appeal, particularly in Southeast Asia. At present, the prevalent attitude in much of South and Southeast Asia is that Western methods are desirable, but often

do not seem

-7-

do not seem to work under current circumstances, whereas Communist methods seem to be workable, but are not desirable. The combination of political maturity and economic promise which immunizes against communism cannot be expected generally in the next decade...

"The United States should take the lead in mobilizing the resources and talents of the free world to assist the countries of Asia in an assault on the problems created by rapid economic and social change. Scattered insights and experience...need to be pulled together...

"Meanwhile, although substantial U.S. aid will continue to be required...other approaches to foster economic and social progress should receive increased emphasis...

"The United States must find means of taking into account more effectively Asian attitudes and viewpoints in developing and carrying out U.S. policies...make every effort to encourage co-operation between the countries of Asia in solving common problems...re-examine the role of local military forces and U.S. bases...in relation to: (a) total U.S. strategic objectives in Asia, and (b) political and economic objectives.

"The whole question of U.S. strategy in Asia in light of the increasing political and military vulnerability of our bases and the rapid change in military technology should be under intensive study by a combined American civilian-military team."

6. Maxwell Graduate School of Citizenship and Public Affairs, Syracuse University, The Operational Aspects of United States Foreign Policy:

"The accelerating rate of worldwide change and our deepening involvement in the internal affairs of other nations are not yet adequately reflected in U. S. foreign policy...It is important...to be able to get along in each country with the 'next government'...

"The yearning for economic development presents unique opportunities...to participate in the revolutionary processes that will determine the future of political institutions in the world's less developed areas.

"The key to such participation is a transfer of capital great enough to modify the present trend whereby the rich nations are getting richer and the poor nations relatively poorer...

It is

-8-

It is therefore proposed that the U.S. government decide, for a 10-year period starting in the fiscal year 1961, to devote one-fourth of its additional production each year, over and above present levels of production, to the economic development of the less developed areas...

"...The trend toward regional institutions is broadly in the U.S. interest. Regional groupings present opportunities for reconciling the two existive bases for world order which are both too narrow -- exclusive nationalism and the particularism of worldwide functional agencies.

"Regional institutions may also contribute to making the world a less bipolar and therefore a safer place for mankind...

"An operational foreign policy requires new thinking about the administration of foreign affairs, to organize for dealing inside other societies as well as with them...

"...Think in terms of country programs for development, and ...place in each country a country director,...with some real power to coordinate...agencies which now deal separately with health, food, children, education, culture, and investment capital...

"...The trend...has been away from strong field organization and toward minute supervision...in Washington. A reversal... is essential...

"On the Washington end, foreign operations must now be seen as a governmentwide function, not the exclusive or even primary function of one Cabinet department...

"...The real task of the Secretary of State is to be the President's chief of staff for coordination of the foreign policy aspects of all government activity, including such difficult cases as the Defense Department, the budget process, the setting of monetary, loan and tariff policy, and the disposal of agricultural surpluses...

"The presence of foreign policy considerations in every major governmental decision suggests...a new look at the organization of Congress for its task of participating in the new-type foreign policy made mandatory by the accelerating pace of world change

and our

-9-

and our increasingly intimate participating in other peoples' national affairs..."

7. Council on Foreign Relations, Basic Aims of United States Foreign Policy:

"...Only with a sense of purpose, one which holds deep meaning for the American people but must be given voice by their elected leaders, can the government of the United States set the goals of foreign policy and work out the means of attaining them. The role of leadership under our democratic form of government can hardly be overemphasized.

"In times like the present, when world affairs are infinitely complex and the dangers seem intangible or remote to so many, it is a task far more difficult than in time of war...

"The tendency toward relaxation of effort, which may be encouraged by a spurious atmosphere of peace, must be countered by the farsightedness and plain speaking of America's leaders. The responsibility rests above all on the President...

"...The people should know the magnitude of the threats to their freedom and that they will shirk the necessary measures to meet and dispel them only at great peril.

"But America would be blind so to limit its basic aims. It has accepted the fact that its own destiny as a nation depends on the survival and growth of freedom in the world. It must, then, express and pursue aims which respond to the deep aspirations of other peoples and enlist their cooperation, despite all differences of culture and historical experience.

"...Leadership cannot rest solely on the strength of America's armed forces or the skill of its diplomats. It must also rest on principle.

"The United States should welcome the cooperation of the Communist powers toward these goals. If it is not forthcoming, as is likely, all the more reason for going ahead in associations with nations of the free world, holding the door open but not vitiating the aims or policies or inviting their sabotage for the sake of gaining the participation of those who reject them...

"The United States should represent and set for itself a
positive

-10-

positive ideal, the ideal of a world not only safer and saner, but also one in which basic human needs are met and human values can flourish...

"If the American people have shown a genius in their own history, it is in the development of political institutions balancing essential freedom and necessary authority, and in the creation of material wealth on a broad basis without coercion.

"Surely, if we can see the meaning of our national experience in relations to the broader and changing world scene, the goals for the future become clear.

"The basic challenge is whether we as a people can move toward them with the urgency, the vigor, and the understanding of humanity's needs which are so obviously demanded by the times in which we live."

8. The Washington Center of Foreign Policy Research, the John Hopkins University, Developments in Military Technology and their impact on United States strategy and Foreign Policy:

"...Adequate and appropriate military strength is the precondition of free world security.

"Broader objectives of U.S. foreign policy not emanating from the struggle with the Sino-Soviet bloc, such as the promotion of economic progress in the underdeveloped countries, call for continued attention and sacrifice, but their pursuit is affected, and at times impaired, by the requirements of meeting the Soviet threat.

"These military requirements are unprecedented in scope. ...The United States is faced with the dual military mission of protecting its overseas allies on the exposed Eurasian rimlands against a wide range of possible forms of Sino-Soviet aggression, as well as protecting its homeland which is no longer secure from Soviet attack...

"The military position of the United States has declined in the short span of 15 years from one of unchallenged security to that of a nation both open and vulnerable to direct and devastating attack... The advent of the nuclear-missile

weapons

-11-

weapons generation, heralded by the Soviet ICBM test of August, 1957, brought a drastic compression of the time required for the delivery of nuclear explosives at intercontinental ranges and a corresponding reduction in the attack warning time...

"... It is this possibility that disturbs those who see in the 'missile gap' of the early 1960's the greatest military danger the United States has ever faced...

"Progress in military technology will continue at an accelerating rate during the next decade...

"To assume that the level of mutual destruction now possible from a total nuclear war, or the magnitude of the accompanying radioactive fallout, is sufficiently high to make nuclear war 'suicidal' (and therefore 'impossible') is but to evade the most serious military problem this country has ever faced...

"Foreseeable progress...will make possible...consequent availability of fissile materials...to facilitate the nuclearizing of small wars, the nuclear arming of allies, and the spread of nuclear power to additional countries. It seems unlikely, however, that these effects will be significantly asymmetrical in their impact on the U.S. - USSR power equations.

"Progress in chemical and biological weaponry is still far from the point where toxicological warfare could be considered of strategic decisiveness...their present military utility has been exaggerated...

"Operational satellite and satelloid space systems promise to become available in considerable numbers and sophistication during the next decade.

"Their military employment...will be of relative advantage to the United States in view of its existing needs for intelligence of the Soviet Union and the management of globally deployed forces. Their use...will...sharpen existing tensions between the United States and the Soviet Union and provide fruitful sources of new ones...

"...The weapons systems of the next decade will, by their sheer cost and complexity, preclude nations other than the

United States

-12-

United States and the Soviet Union from attaining the status of major military powers...thus amplifying divisive strains within the present alliance and complicating the problems of preserving and strengthening the solidarity of the free world...

"...Top priority should be given and increased and timely efforts should be made to reduce the vulnerability of American and allied strategic forces...

"...A most strenuous effort should be made to accelerate development of solid fuel ICBM's amenable...to both large-scale production and mobile siting...

"The over-riding objective of such a strategic weapons program should...be...early attainment of such...divers and relatively secure retaliatory systems that the potential aggressor could not have confidence...to risk launching a surprise attack.

"...The United States should discourage...independent nuclear forces. If our allies cannot be dissuaded...the United States should attempt to channel their efforts into mobile or otherwise protective retaliatory systems.

"...The equipment of...troops with weapons appropriate to tactical nuclear warfare, while necessary, should not be treated as a substitute for...adequate non-nuclear forces...

"Because space technology offers one of the few areas in which the development of a new weapons generation may be possible, the United States should not permit the Soviet Union to outdistance it...major space efforts should continue...unless...it becomes apparent that military implications...are negligible.

"...The United States should avoid such sources of instability as the deployment of highly vulnerable strategic missile systems...proximate to the Communist bloc.

"Arms control policy should not aim for total nuclear disarmament which would permit a violator to gain supremacy through the surreptitious production relatively few weapons. Instead, strategic forces should be limited to retaliatory systems capable of surviving a first strike, though insufficient...for a first strike."

9. The Brookings

-15-

and their images tend to affect the relations between states, and the bases for conflict and hostility or understanding and cooperation.

"The report focuses its attention on three political ideologies commanding the greatest allegiance in contemporary times: constitutional democracy, nationalism and communism...

"...Communist ideology provides a conceptional framework for viewing the world. It looks on history as a continuous conflict in which 'progressive' forces continue with 'reactionary' forces and defeat them...In short, the basic Communist faith is that capitulation is doomed, that Communism is certain to replace it, and that this process must be vigorously abetted...

"...An axiom of Communist strategy has been the injunction against risking a direct clash unless certain of Communist superiority.

"The tactic to be pursued when faced with a superior force is to engage in gradual envelopment and penetration and to destroy the enemy by a process of attrition.

"To undermine the morale of the superior force, to foster in the opponent an inclination to ever-increasing compromise -- that is the way to victory whenever lacking the power to impose one's own solution...

"Communist ideology makes power central in its analysis of society and history and its own methods and goals. Indeed, the main focus of Communist writing in this century has been on the methods of acquiring and consolidating power.

"...By reason of the nature of the doctrine and the party, those reaching the top of the Communist movement are usually driven by an intense urge for political power and dedicated to the use of any and all means to achieve the goals of the party...

"One fact about the decades ahead is certain: the international order will be profoundly altered by the forces of change.

"In the less developed nations, the quest for a better life is bound to transform radically their political, economic, and

social

-16-

social structures, amid turmoil and disruption. These countries will doubtless try to pursue both strands of their nationalism...independence and progress.

Few of them now have governments adequate to fulfill these tasks. Most of them lack the prerequisites for stable democracy: literacy, a sense of tolerance, minimum political consensus, as well as political and economic stability...

"The advanced nations will have to continue to cooperate intimately among themselves and to develop new bases for assisting and working with the less-developed nations.

"The requisite range of actions will be broad: maintaining dynamic societies in the advanced countries, assuring the flow of adequate capital to the less-developed states, keeping pace in the scientific and technical fields, keeping adequate military strength...

"...U.S. policy should start from the fact that its primary interest toward the underdeveloped countries is in their continued independence. Our aim should be to cooperate with each nation for this purpose on as wide a front as is acceptable to it...

"The United States should not judge new nations by standards derived from its own experience...

"Eventual erosion of Communist ideology will depend mainly on the working out of forces within the Communist societies and orbit... Efforts might be made to draw the satellite states into the European community...

"To encourage evolution within the Communist system and the Communist bloc, we should promote the most extensive contacts possible within the Communist world...

"It would be misleading to expect too much... The cumulative effect is not likely to be felt for a number of years... Through a very gradual and pervading skepticism of some Communist ideological assumptions...

"Democracy will not survive merely by reactive to the threats of tyranny... In the age of ideology successful political action must be related to ideas.

"Dogmatic

-17-

"Dogmatic systems of ideas can be undermined only by positive actions which consistently repute their accuracy, and by affirmative principles which truly reflect the aspirations of mankind."

11. Columbia-Harvard Research Group, USSR and Eastern Europe:

"...Although the emphasis in current Soviet policy is upon 'peaceful co-existence', Mr. Khrushchev has reminded us quite frankly that this line does not mean a suspension of the underlying conflict between our societies..."

"...As a consequence, if present trends continue a further increase in Soviet power and influence is to be expected..."

"Dealing with the Soviet challenge should not become an exclusive preoccupation of American policy... The central focus of our policy should be the political growth and economic improvement of the non-Communist world..."

"...It is vital that the United States not allow an imbalance of military power to develop in the Soviet favor, not only in the interest of...peace, but also to protect the non-Communist world against a process of piecemeal disintegration..."

"It would be an error to assume the infallibility of the Soviet system, and it should therefore also be a part of our outlook that we be continuously alert to the opportunities presented by Soviet shortcomings and contradictions..."

"Finally, then is the requirement on which all others depend, the development of a public understanding...to support heavy costs and sacrifices without the stimulation of crises or bellicosity, without wild alternations between optimism and pessimism."

"This is the source of strength which could make it possible for a democratic society to preserve the essential qualities of democratic life while it mounts the degree of mobilization necessary to deal with the mortal and continuing, challenge of the Soviet system..."

"In the Soviet view, the world is divided into two camps, one representing declining capitalism and the other rising socialism; and between these two camps a fundamental and inevitable conflict exists."

"This conflict

-18-

"This conflict need not result in war, but whether it does or not depends primarily upon whether capitalism is graceful or stubborn about recognizing it is outworn...

"This, in its simplest form, is the nub of the problem...

"Against...This long term expectation there has taken place an important shift in Soviet short-term policies...toward the advanced industrial nations...a modification of their national policies... It is not a question, in any short-range projection, of trying to communize the countries of Western Europe, but rather,...of weakening the Western alliance; later...to orient their policies more favorably toward the Soviet Union and to make their...output available...

"It can be seen, therefore, why the 'proletariat' of the West seems to be of less current interest to the Soviet Union than the 'bourgeoisie.' It is not a matter of chance that the Soviet leaders who have visited the United States and Western Europe recently found the business leaders more interesting than labor leaders.

"With this short-range purpose in mind, it becomes clearer why Soviet policy is currently emphasizing nationalist, pacifist, and commercial appeals to the 'bourgeoisie' of the West...

"By the use of such appeals...the Soviet leaders...hope to encourage the demobilization and disintegration of the Western Alliance...the...transition to a 'socialist' form...can await the next...stage of development...

"One of the cardinal elements of the Soviet outlook is the belief that the revolutionary wave now sweeping across Asia, Africa, and Latin America is an important factor favorable to Soviet interests, perhaps decisively so...

"First...the disintegration of the world system of ^{trade} hate and investment between the Western industrial nations and their markets and the sources of raw materials among the underdeveloped countries...

"Second, the coincidence of this development with spectacular Soviet economic and technological advances...increasing Soviet influence in these areas as a model...

"There, the

-19-

"There, the Soviet Union feels it is in a better position than are the Western powers to relate its interests to those of the nationalist movements...

"The problem facing Soviet foreign policy in these areas is not how best to achieve the transformation of these countries to 'socialist' as soon as possible, but how to insure the most profitable immediate effects of this process upon the configuration of power distribution in the world...

"The next stage...involves...moving toward membership in the Soviet sphere. Then, in that time and in that way, will be fulfilled Lenin's famous prophecy..."

"What does Mr. Khrushchev mean when he asks us to accept the 'status quo'? He has been explicit. His conception has three elements: First, a recognition...of the Soviet right to control the territories it has won...and a commitment...not to try to undo these...; second, an agreement...not to interfere with the process of revolutionary change...third, an agreement that there should be no change of frontiers by military force (excluding 'internal' problems, such as China-Formosa or Vietnam.)...

"...Mr. Khrushchev is not proposing a definitive settlement of the conflict... A resolution... is possible only if we are willing to yield the Soviet Union what it wants...

"Whatever changes in the climate may take place, or whatever settlements of specific issues may become possible, should not be allowed to obscure the reality of this underlying conditions of deadly conflict.

"...It is possible to draw some principles to guide our conduct...

"The American public should have a steady, unemotional understanding of the fundamental nature of the conflict. This is the essential bedrock foundation for a wise and steady policy.

"...It is a vital interest...that the Soviet Union be prevented from a further extension of its power and influence...

"...It is

-20-

"...It is of fundamental importance that a gross equilibrium of military power be maintained...

"...We should be continuously prepared to explore through negotiation the settlement of any outstanding problems...

"...We should be prepared to take advantage of ...contradictions between Soviet professions and behavior, by dilemmas and errors in Soviet policies...

"...The policy most likely to influence the Soviet Union in a favorable direction...is...a healthy economic and political growth among the non-Communist nations...

"This is more likely to influence the course of the Soviet development than anything we can do directly. Until this time, we must be prepared for a continuation of the conflict into the indefinite future."

12. Center for International Studies, Massachusetts Institute of Technology, Economic, Social, and Political Change in the Underdeveloped Countries and its implications for United States Foreign Policy:

"The United States confronts a world in which more than a billion human beings living under non-Communist rule are passing through the complex and lengthy transition from life in the setting of a traditional society to life in a modern setting. Within the Communist bloc nearly another billion are passing through a special version of this transition...

"...While the transition to modernity is inevitable in some form the precise form it takes will be critically influenced by what America is and what it does...

"...The form which the transition to modernity takes will affect in critical ways our most vital domestic interests...

"...Finally...the transition will alter the economic, political, and social environment in which American society must operate, more profoundly and more rapidly than it has ever been altered before...

"...Unless we make an extraordinary and explicit effort to understand

-21-

understand what is happening to the complex world we live in, we are in danger of losing control of our own destiny...

"...A gradual consensus appears to be developing in this country as to the course taken by the traditional societies. It is in our interest to see emerge out of the transition processes nation states which --

- "1. Maintain effective independence...
- "2. Do not resort to violence...
- "3. Maintain effective and orderly government internally without resort to totalitarian controls...
- "4. Are capable of progressively meeting the aspirations of all major classes of their people...
- "5. Are willing to cooperate...to the functioning of an interdependent world community.
- "6. Accept the principles of an open society...

"Our basic view, then, is that we Americans must enter more deeply, if vicariously, into the experience of transition...

"...It is in the American interest to use such influence as we have...to help make the evolutionary transition to modernization successful enough so that no major group will opt either for regressive efforts to repress social, political and economic change or for extremist measures to promote it.

"We can express this interest in terms...psychological, political, economic and social.

"Psychologically, it is in the American interest that the peoples...perceive constructive alternatives both to the regressive clinging to old values and to the radical overthrow...and desperate rush to totally new ones...

"Politically it is in our interest, that chaos, tension and failure do not lead people to accept a repressive concentration of power...

"...In the early stages...perception of both the possibilities and the dangers of modernization are likely to be found mainly in small elite groups -- the traditional feudal or tribal leaders, the military, the initially small but growing urban commercial and business class, the landowners, and the intelligentsia. As the transition proceeds...new groups become important -- the peasantry, urban labor, the new student class.

"It is

-22-

"It is in the American interest that each of these groups should perceive the practicality and attractiveness of the third choice.

"Finally, there is the economic dimension of the third choice...Economic growth is particularly important to us... because the principal instruments available to the United States for influencing the transition are economic instruments.

"It should by now be apparent that the problem of making the evolutionary alternative seem both real and attractive is one with many facets.

"It is useful to look at it from the varied perspective of the psychologist, the political scientist, the sociologist, and the economist; but it is one problem, not four.

"If American action is to influence the choice, those wielding the various elements of American policy must see the problem in these times and see it whole, since each instrument affects all facets of a society's evolution...

"There can be no easy optimism about the consequences of American action...

"We must recognize, too, that everything we do involves risk...we should be prepared for setbacks...

"...If we do nothing or not enough the hope of maintaining a world environment in which our society can prosper will grow dim...

"...The failure thus far to put American aid programs on a genuine long-term basis is perhaps the most serious weakness in our economic assistance effort...

"...The economic criteria for economic assistance must be unambiguous and firmly applied...

"...Capital must be made available over sufficiently long periods of time...

"Amounts...must be increased and the...terms...flexible...

"Capital must be made available for all important sections of the economy...

"...National

-23-

"...National development programming should be encouraged...

"...Development efforts should be related to the international economy..."

TAB C

National Science Foundation
Comparison of United States and USSR Science Education,
Hearings before the Subcommittee on Independent Offices,
House Appropriations Committee 86th Congress, Second Session,
March 2, 1960.

1. Alan T. Waterman, Director, National Science Foundation:

"Our evidence at present is that in quality of research, ...we are second to none, generally speaking, and the Russians are very close in many fields...especially good in polar research...in their systematic seismological and geographical studies.

"They are good but not superior, in astronomy and mathematics; in theoretical physics they are very good...pretty much on a par with us, probably; in experimental physics we have a very definite edge.

"Their great weakness, of course, is in the straight biological sciences where they have been out of date because of their philosophy with respect to the Lysenko movement.

"By and large...the concern is not the present quality but the future...

"...The opinions of our scientists who have gone to Russia are very much that while we can hold our own very well with them now, when they look at the very thoroughly trained young people...bright and keen...given every opportunity...they are concerned...so it is the future that we are really thinking of..."

2. Roger R. Revelle, Chairman Divisional Committee for Mathematical, physical and engineering sciences, Director Scripps Institution for Oceanography:

"...One of the striking things...about all Russian science, is that they are not, as we are, wasting half the brains of the human race by inhibiting women from going into scientific work...

"Second, at the IGY meeting in Tokyo which I attended a few years ago, there was a group of Chinese scientists. These

were men of

-2-

were men of great sophistication and experience in science... they could hold their own with any of the Americans there...

"Third, in space research, we are familiar with the fact that the Russians have rocket engines with three or four times the thrust of any of ours. This is not due simply to a massive effort, but to a systematic development..."

3. Harry C. Kelly, Associate Director, Educational and International activities :

"...the Soviets, in planning the future of their state, determine the needs for people in different professions...the number of students in each area. In the free world, education is directed toward the development of the individual. The young people of the Soviet Union know that a good way out of their low economic and social environment is through education.

"The material rewards of training are real -- better food and lodging, for example. Because we already have the physical amenities the Soviet people are still seeking, the motivations of our young people must not only include material rewards but also the more intangible -- love of liberty and love of learning.

"Despite the amazing progress of the USSR in developing its educational system, we are still ahead of the Russians in the educational level of the populations as a whole...Less than two percent of their citizens have completed higher education, compared with about five percent in this country...

"My observations there lead me to feel that we should have apprehensions not about them but about ourselves -- as to whether we have our own goals in mind as clearly as the Russians have theirs...

"...The proportions of our graduates in science and engineering has been far below that of the Russians. At the same time, our free choice system has been quite responsive to demand as represented by employment opportunities...

"...In general...we are slightly ahead...in terms of scientific and technical manpower, but the margin is narrow and we must keep up steady and sustained pressure for both quality and quantity if we are to maintain superiority."

4. Paul M. Gross, Vice-Chairman of the National Science Board and
Chairman

-3-

Chairman, executive committee of the board; Vice President,
Duke University:

"...The Russian educational development really...is a further move in the direction of a good European 'continental' education. This...we all have respect for historically, and for its merits -- which are real. The continental system has never, however, been broadly based so as to include large segments of the population. In England it has been largely confined to a limited number of people. By and large these have been highly selected, good people.

"I think the danger from the Russian situation...is that they have taken the best elements of the continental system of education and applied them broadly to a huge population. This is where we face what many of us believe is a real challenge."

5. Julius A. Stratton, President, Massachusetts Institute of Technology:

"I share completely the views expressed by Dr. Gross... we can by no means relax. But this does not mean necessarily that we should adopt the Russian system for our own. I do not think there is any such simple solution...our system of education is indigenous...draws upon our traditions and background and is related to the things for which we stand..."

"...We lack...the intensity of feeling of the Russians about the role of education and the essential conviction that education and science are of overriding importance for our national survival.

"We also fail to recognize that we are in competition not only with Russia and China but must soon meet a new kind of competition from newly emerging countries all over the world..."

-3-

the time being the Soviets cannot stop coexisting with non-Communist nations...

"Lenin used the term first, when in the early twenties the peasants were allowed more freedom of producing and selling... coexistence did not last long.

"Stalin originally used the expression to the effect that different nations were 'coexisting' within the Soviet Union, the Ukrainians with the Russians and the Armenians with the Georgians...in practice the Russian nation enjoys hegemony...

"Coexistence is a temporary situation and it is a description of fact...it specifically does not mean Communism ought to be prepared to coexist with the Capitalist system til the end of the world."

WORDS: "Communist semantics have the following roots:

"1. Every problem, however unprecedented it may be, must be handled in original or purified Marxist-Leninist terminology.

"2. Every change in doctrine or 'line' must be dressed up as a 'restatement' and its 'deviationist' character must be concealed.

"3. Every Communist communication must convey an orthodox, that is, revolutionary, activating message to the party and its followers.

"4. This same communication must contain a different, i.e., soothing, pacifying and paralyzing message to the opponent of communism.

"5. Every communication has a specific meaning within the context of the incessant intraparty struggle.

"6. Every statement must be proof against counter-propaganda by all external and internal opponents of communism.

"Communist semantics are more than a tool of deception and concealment. They are also a tool of legitimacy -- the Soviet regime can assert its legitimacy only within the framework of its sacred ideology.

"But it is also

-4-

"But it is also characteristic of the Communists that they fight against each other by semantic means -- until the loser is liquidated. To them struggle is everything. Even language is part of the struggle."